OFFERING MEMORANDUM *STRICTLY CONFIDENTIAL*

NETFLIX

Netflix, Inc.

$1,000,000,000 4.875% SENIOR NOTES DUE 2030
€1,100,000,000 3.625% SENIOR NOTES DUE 2030

Interest payable on June 15 and December 15

We are offering $1,000,000,000 of our 4.875% Senior Notes due 2030 (the "dollar notes") and €1,100,000,000 of our 3.625% Senior Notes due 2030 (the "euro notes" and, together with the dollar notes, the "notes"). The notes will mature on June 15, 2030. The dollar notes offered hereby will bear interest at the rate of 4.875% per annum. The euro notes offered hereby will bear interest at the rate of 3.625% per annum. Interest on the notes will accrue from October 25, 2019 and be payable semiannually on June 15 and December 15 of each year, commencing June 15, 2020, and at maturity. We may, with respect to each series of notes, redeem any or all of the notes of such series at a price equal to 100% of the principal amount thereof plus an applicable premium and accrued and unpaid interest thereon, if any, to but excluding the redemption date, as described in this offering memorandum under "Description of Dollar Notes—Optional Redemption" or "Description of Euro Notes—Optional Redemption", as applicable. In addition, we may redeem any or all of the dollar notes at any time from or after March 15, 2030 (three months prior to the maturity date of the dollar notes), and any or all of the euro notes at any time from or after March 15, 2030 (three months prior to the maturity date of the euro notes), in each case, at a redemption price equal to 100% of the principal amount of the notes of the applicable series to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date. See "Description of Dollar Notes—Optional Redemption" or "Description of Euro Notes—Optional Redemption", as applicable. Upon the occurrence of a change of control triggering event, we will be required to offer to repurchase the notes. The notes will be our general unsecured obligations and will rank pari passu in right of payment with all of our existing and future senior indebtedness, effectively subordinated to our secured indebtedness, to the extent of the value of such assets securing such indebtedness, and structurally subordinated to any indebtedness and liabilities (including trade payables) of any of our subsidiaries that do not guarantee our obligations under the notes. The notes generally are not required to be guaranteed by any of our subsidiaries. In the future, the notes may be guaranteed on a senior unsecured basis by certain of our domestic subsidiaries. Any guarantee will rank pari passu in right of payment with all existing and future senior indebtedness of such subsidiary and will be effectively subordinated to any secured indebtedness of such guarantor to the extent of the value of the assets securing such indebtedness.

The dollar notes will be issued only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The euro notes will be issued only in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The dollar notes will initially be issued in the form of one or more global notes and deposited with the respective trustee as custodian for The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC. The euro notes will initially be issued in the form of one or more global notes and deposited with, and registered in the name of, a common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream"), or a nominee of such common depositary. See "Description of Dollar Notes—Book-Entry, Form, Denomination and Delivery of Dollar Notes" or "Description of Euro Notes—Book-Entry, Form, Denomination and Delivery of Euro Notes," as applicable. The notes will be new issues of securities for which there is currently no established public market. In the case of dollar notes, we do not intend to apply to have such notes listed on any securities exchange or to arrange for quotation on any automated dealer quotation systems. In the case of euro notes, an application has been made to The International Stock Exchange Authority Limited (the "Authority"), which is licensed to operate an investment exchange by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, for such notes to be admitted to the list maintained and published by the Authority (the "Official List") of securities admitted for trading on the investment exchange known as The International Stock Exchange (the "Exchange"), which is operated by the Authority. There is no assurance that such application will be successful or that the euro notes will be admitted to the Official List and to trading on the Exchange. Consummation of the offering of the euro notes is not contingent upon obtaining such admission to the Official List or to trading on the Exchange.

Investing in the notes involves risks. See "Risk Factors" beginning on page 11 of this offering memorandum.

PRICE OF DOLLAR NOTES: 100% PLUS ACCRUED INTEREST, IF ANY
PRICE OF EURO NOTES: 100% PLUS ACCRUED INTEREST, IF ANY

The offering and sale of the notes have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or the laws of any other place, and the notes are being offered only (1) to persons reasonably believed to be qualified institutional buyers under Rule 144A and (2) outside the United States in compliance with Regulation S. Because neither the initial issuance nor the subsequent resale of these notes will be registered, they are subject to certain resale restrictions. For a description of such restrictions on transfer, see "Transfer Restrictions".

The initial purchasers of the dollar notes (the "dollar initial purchasers") expect to deliver the dollar notes to purchasers through the facilities of DTC and the initial purchasers of the euro notes (the "euro initial purchasers" and, together with the dollar initial purchasers, the "initial purchasers") expect to deliver the euro notes to purchasers through the facilities of Euroclear and Clearstream, in each case, on, or about October 25, 2019.

Joint-Lead and Bookrunning Managers

MORGAN STANLEY *GOLDMAN SACHS & CO. LLC* *J.P. MORGAN*
DEUTSCHE BANK SECURITIES *WELLS FARGO SECURITIES*

October 22, 2019

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NOTICE TO INVESTORS

Neither we nor the initial purchasers have authorized anyone to provide any information other than that contained or incorporated by reference in this offering memorandum or in any free writing communication prepared by or on behalf of us or to which we have referred you. Neither we nor the initial purchasers take any responsibility for, or can provide any assurance as to the reliability of, any other information that others may give you. Neither we nor the initial purchasers have authorized anyone to provide you with information that is different. This offering memorandum may only be used where it is legal to sell these securities. This offering memorandum is current as of the date on the front cover. You should not assume that the information contained in this offering memorandum, including any information incorporated by reference, is accurate as of any date other than the date of such document. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this offering memorandum and the documents incorporated by reference in this offering memorandum when making your investment decision.

This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the securities described in this offering memorandum. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire securities. Distribution of this offering memorandum to any other person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized, and any disclosure of any of its contents, without our prior written consent, is prohibited. Each prospective investor, by accepting delivery of this offering memorandum, agrees to the foregoing and to make no photocopies of this offering memorandum or any documents referred to in this offering memorandum.

Interests in each series of notes will be available initially in book-entry form. We expect each series of notes sold will be issued in the form of one or more global notes (the "dollar global notes," with respect to dollar notes held in global form, and "euro global notes," with respect to euro notes held in global form). The dollar global notes will be deposited with the trustee of the dollar notes as custodian for Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC. The euro global notes will be deposited and registered in the name of a common depository (or its nominee) for Euroclear and Clearstream. Transfers of beneficial interests in the dollar global notes will be subject to the applicable rules and procedures of DTC and its respective direct or indirect participants. Transfers of interests in the euro global notes will be effected through records maintained by Euroclear and Clearstream and their respective participants. After the initial issue of the dollar global notes and euro global notes, neither series of notes will be issued in definitive registered form except under the circumstances described in the section "Description of Dollar Notes—Book-Entry, Form, Denomination and Delivery of Dollar Notes" and "Description of Euro Notes—Book-Entry, Form, Denomination and Delivery of Euro Notes," as applicable.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained or incorporated by reference in this offering memorandum. Nothing contained or incorporated by reference in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future. We have furnished the information contained or incorporated by reference in this offering memorandum. The initial purchasers have not independently verified any of the information contained or incorporated by reference herein (financial, legal or otherwise) and assume no responsibility for the accuracy or completeness of any such information.

An application has been made to the Authority for the euro notes to be admitted to the Official List and trading on the Exchange. The Exchange is not a regulated market for the purposes of the Markets in Financial Instruments Directive. Neither the admission of the euro notes to the Official List, nor the approval of this offering memorandum pursuant to the listing requirements of the Exchange shall constitute a warranty or representation by the Exchange as to the competence of the service providers to, or any other party connected with, the issuer, the adequacy of information contained in this offering memorandum or the suitability of the issuer for investment or any other purposes.

Bedell Channel Islands Limited is acting as listing sponsor for the Company and for no one else in connection with the listing of the euro notes on the Official List and admission of the euro notes to trading on the Exchange and will not be responsible to anyone other than us.

Upon receiving this offering memorandum, you acknowledge that (1) you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained herein, (2) you have not relied on the initial purchasers or any person affiliated with the initial purchasers in connection with any investigation of the accuracy of such information or your investment decision, and (3) we have not authorized any person to deliver any information different from that contained in this offering memorandum.

This offering memorandum contains or incorporates by reference summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors upon request to us or the initial purchasers.

Except as set forth below, we accept responsibility for the information contained or incorporated by reference in this offering memorandum. To our best knowledge and belief, the information contained or incorporated by reference in this offering memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. Since our audited consolidated financial statements at and for the fiscal year ended December 31, 2018 included in this offering memorandum (which incorporates by reference our Annual Report on Form 10-K for the year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A), there has been no adverse change, or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) of our general affairs that is material in the context of the offering of the notes offered hereby, other than such changes and developments as disclosed in this offering memorandum (including the information incorporated by reference herein).

The descriptions of the operations and procedures of DTC, with respect to the dollar notes, and Euroclear and Clearstream, with respect to the euro notes, set forth in this offering memorandum, including the sections entitled “Description of Dollar Notes—Book-Entry, Form, Denomination and Delivery of Dollar Notes” and “Description of Euro Notes—Book-Entry, Form, Denomination and Delivery of Euro Notes,” are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we nor the initial purchasers take any responsibility for these operations and procedures of such settlement systems and we urge investors to contact the applicable systems or their participants directly to discuss these matters.

Any third party information described in the immediately preceding paragraph and included or incorporated by reference in this offering memorandum has been accurately reproduced and, as far as we are aware and are able to ascertain from the information published by the third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Notice to Investors in the European Economic Area

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This offering memorandum has been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Notice to Investors in the United Kingdom

This offering memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of the notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Recipients of this offering memorandum are not permitted to transmit it to any other person. The notes are not being offered to the public in the United Kingdom.

Notice to Investors in Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration

Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Investors in Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Investors in Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 except: (a) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, (b) where no consideration is given for the transfer, or (c) by operation of law.

In connection with Section 309B of the SFA and the Capital Markets Products (the "CMP") Regulations 2018, the notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded

Investment Products (as defined in Monetary Authority of Singapore Notice SFA 04-N12: Notice on the Sale of Investment Products and Monetary Authority of Singapore Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Investors in Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "Financial Instruments and Exchange Law") and each initial purchaser has agreed that it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission nor any other regulatory authority has approved or disapproved the securities nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense.

In making an investment decision, investors must rely on their own examination of us and the terms of this offering, including the merits and risks involved. These notes have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this offering memorandum. Any representation to the contrary is a criminal offense.

These notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

We expect that delivery of the notes will be made to investors on or about October 25, 2019, which will be the third business day following the date of this offering memorandum (such settlement being referred to as T+3). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, trades in the secondary market are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes more than two business days prior to October 25, 2019 will be required, by virtue of the fact that the notes initially settle in T+3, to specify an alternate settlement arrangement to prevent a failed settlement. Purchasers of the notes who wish to trade the notes prior to their date of delivery hereunder should consult their advisors.

You must inform yourself about and observe all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the notes, you must obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale of the notes, and neither we nor the initial purchasers shall have any responsibility therefor.

See "Risk Factors" for a description of certain factors relating to an investment in the notes. None of the issuer, the initial purchasers or any of their respective representatives is making any representation to you regarding the legality of an investment by you under appropriate legal, investment or similar laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the notes.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum and the documents that we incorporate by reference contain statements relating to our future results (including certain projections and business trends) that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are identified by the words "believes," "expects," "anticipates," "estimates," "intends," "strategy," "plan," "may," "will," "would" and similar expressions. These forward-looking statements include, but are not limited to statements regarding: our core strategy; operating income and margin; content amortization; seasonality; paid memberships as indicator of growth; pricing changes; DVD memberships; dividends; revenues; profitability; stock price volatility; impact of foreign currency and exchange rate fluctuations, including on net income, revenues and average revenues per paying member; adequacy of existing office space; deferred revenue; investments in global streaming content, including original content; impact of content on membership growth; contribution margins; contribution profits (losses); liquidity, including cash flows from operations, available funds and access to financing sources; net cash provided by (used in) operating activities and free cash flow; tax expense; unrecognized tax benefits; deferred tax assets; commencement of operating leases; the impact of, and the Company's response to, new accounting standards; action by competitors; partnerships; member viewing patterns; accessing and obtaining additional capital, including use of the debt market; accounting treatment for changes related to content assets; our content and marketing investments, including investments in original programming; amortization; net income; and future contractual obligations, including unknown streaming content obligations and timing of payments. These forward-looking statements are subject to risks and uncertainties that could cause actual results and events to differ materially from those included in forward-looking statements. See "Risk Factors" in this offering memorandum, our Annual Report on Form 10-K for the year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A, and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019 and September 30, 2019 for additional information regarding business risks and uncertainties.

Undue reliance should not be placed on forward-looking statements, which speak only as of the date of this offering memorandum.

All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this offering memorandum and any other cautionary statements that may accompany such forward-looking statements. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, unless the securities laws require us to do so.

NON-GAAP FINANCIAL MEASURES

The SEC has issued rules to regulate, in filings with the SEC and in public disclosures, the use of non-GAAP financial measures, such as earnings before interest, taxes, depreciation and amortization, or EBITDA, Adjusted EBITDA, free cash flow, and the ratios related thereto. These measures are derived on the basis of methodologies other than in accordance with generally accepted accounting principles, or GAAP.

These rules govern the manner in which non-GAAP financial measures are publicly presented and prohibit in all filings with the SEC, among other things:

- the exclusion of charges or liabilities that required, or will require, cash settlement, or would have required cash settlement absent an ability to settle in another manner, from non-GAAP liquidity measures, other than the measures (1) earnings before interest and taxes and (2) EBITDA; and
- the adjustment of a non-GAAP performance measure to eliminate or smooth items identified as nonrecurring, infrequent or unusual, when the nature of the charge or gain is such that it is reasonably likely to recur within two years or there was a similar charge or gain within the prior two years.

We have included non-GAAP financial measures in this offering memorandum, including Adjusted EBITDA, which may not comply with the SEC's rules governing the presentation of non-GAAP financial measures in filings with the SEC. See "Summary—Summary Historical Consolidated Financial Information and Other Data" for a description of the calculation of Adjusted EBITDA. Our measurements of Adjusted EBITDA may not be comparable to those of other companies. We define Adjusted EBITDA as net income before interest expense on indebtedness, other income/expense including foreign currency gains (losses), provision for income taxes and depreciation and amortization of property, plant and equipment and intangible assets further adjusted to exclude other non-cash charges or nonrecurring items, including, without limitation, stock-based compensation. Adjusted EBITDA is not a measure of operating income, performance or liquidity under GAAP and is subject to important limitations. Adjusted EBITDA may be useful to investors as a measure of comparative operating performance between time periods and among companies as it is reflective of changes in pricing decisions, cost controls and other factors that affect operating performance. For a presentation of net income (loss) as calculated under GAAP and a reconciliation to our Adjusted EBITDA, see "Summary—Summary Historical Consolidated Financial Information and Other Data" in this offering memorandum.

NO REVIEW BY THE SEC; NO REGISTRATION RIGHTS

The information included in and incorporated by reference in this offering memorandum does not conform in certain cases to information that would be required if this offering was made pursuant to a registration statement filed with the SEC. This offering memorandum, as well as any other documents in connection with this offering, will not be reviewed by the SEC. There are no registration rights associated with either series of notes and we have no present intention to offer to exchange the notes of either series for notes of either series registered under the Securities Act or to file a registration statement with respect to such notes. As a result, for so long as the notes remain outstanding, they may be transferred or resold only in transactions that are not subject to or that are exempt from the registration requirements of the Securities Act or the securities laws of any state or any other jurisdiction. You should read the discussion under the headings "Description of Dollar Notes—Book Entry, Form, Denomination and Delivery of the Dollar Notes," Description of Euro Notes—Book Entry, Form, Denomination and Delivery of the Euro Notes" and "Transfer Restrictions" for further information about these transfer restrictions. It is your obligation to ensure that your offers and sales of the notes comply with applicable securities laws. You should be aware that you may be required to bear the financial risk of your investment in the notes for an indefinite period of time. The indentures governing the applicable series of notes will not be qualified under the Trust Indenture Act of 1939, as amended.

MARKET AND INDUSTRY DATA AND FORECASTS

This offering memorandum includes estimates of market share, ranking and industry data and forecasts that we developed based on external sources, including third-party industry publications and surveys, and internal company sources and includes adjustments that we believe are reasonable. While we have not independently verified any of the data from third-party sources, we believe such sources to be reasonable and reliable. Statements as to market share, ranking and industry data are based on information available to us as of the date of this offering memorandum, and we assume no obligation to update any such statements. While we are not aware of any misstatements regarding our market share and industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this offering memorandum.

EXCHANGE RATES

For purposes of presenting our outstanding indebtedness and cash and cash equivalents, giving effect to the offering of the euro notes, we have assumed a euro to U.S. dollar exchange rate of approximately €1 to $1.0902, which was the exchange rate as of September 30, 2019.

STABILIZATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, MORGAN STANLEY & CO. LLC, WITH RESPECT TO THE DOLLAR NOTES, AND MORGAN STANLEY & CO. INTERNATIONAL PLC, WITH RESPECT TO THE EURO NOTES, (EACH, A "STABILIZING MANAGER") (OR PERSONS ACTING ON BEHALF OF A STABILIZING MANAGER) MAY OVER-ALLOT THE RELEVANT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE RELEVANT NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE RESPECTIVE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF SUCH STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE RELEVANT NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT NOTES. SUCH STABILIZING SHALL BE IN COMPLIANCE WITH ALL LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

SUMMARY

The following summary is not complete and does not contain all of the information that you should consider before deciding whether to invest in the notes. You should read carefully the entire offering memorandum, including the information presented under the heading "Risk Factors" and the more detailed information and financial statements and related notes thereto incorporated by reference into this offering memorandum, before making any investment decision.

In this offering memorandum, unless otherwise stated or the context otherwise requires (i) except with respect to the discussion of the terms of the notes on the cover page and under the caption "—The Offering," "Description of Dollar Notes," "Description of Euro Notes" and "Transfer Restrictions," all references to the words "Netflix," "the Company," "we," "us," "our" and "ours" refer to Netflix, Inc., a Delaware corporation, together with its subsidiaries on a consolidated basis and (ii) the "issuer" refers to Netflix, Inc. and not to its subsidiaries.

In this offering memorandum, unless otherwise specified or the context otherwise requires, references to "dollars," "$," and "U.S. $" are to United States dollars and references to "€" and "euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

OUR COMPANY

We are the world's leading internet entertainment service with over 158 million paid streaming memberships in over 190 countries enjoying TV series, documentaries and feature films across a wide variety of genres and languages. Members can watch as much as they want, anytime, anywhere, on any internet-connected screen. Members can play, pause and resume watching, all without commercials or commitments. Additionally, over two million members in the U.S. subscribe to our legacy DVD-by-mail service.

We are a pioneer in the internet delivery of TV series and films, launching our streaming service in 2007. Since this launch, we have developed an ecosystem for internet-connected screens and have added increasing amounts of content that enable consumers to enjoy TV series and films directly on their internet-connected screens. As a result of these efforts, we have experienced growing consumer acceptance of, and interest in, the delivery of TV series and films directly over the internet. Historically, the first and fourth quarters (October through March) represent our greatest membership growth across our Domestic and International streaming segments. Our membership growth can sometimes be impacted by the release of certain high-profile original content. Within our International streaming segment, we expect each market to demonstrate more predictable seasonal patterns as our service offering in each market becomes more established and we have a longer history to assess such patterns.

Our core strategy is to grow our streaming membership business globally within the parameters of our operating margin target. We are continuously improving our members' experience by expanding our streaming content with a focus on a programming mix of content that delights our members and attracts new members. In addition, we are continuously enhancing our user interface and extending our streaming service to more internet-connected screens. Our members can download a selection of titles for offline viewing.

CORPORATE INFORMATION

We were incorporated in Delaware in August 1997 and completed our initial public offering in May 2002. Our principal executive offices are located at 100 Winchester Circle, Los Gatos, California 95032, and our

telephone number is (408) 540-3700. We maintain a website at www.netflix.com. The contents of our website are not incorporated in, or otherwise to be regarded as part of, this offering memorandum and you should not rely on such information in making your decision whether to purchase the notes, other than the documents that the Company files with the SEC that are expressly incorporated by reference into this offering memorandum. See "Where You Can Find More Information."

THE OFFERING

The following summary is provided solely for your convenience. The summary is not intended to be complete. You should read the full text and more specific details contained elsewhere in this offering memorandum. For a more detailed description of the notes, see "Description of Dollar Notes" and "Description of Euro Notes."

Issuer	Netflix, Inc.
Securities Offered	
Dollar notes	$1,000,000,000 aggregate principal amount of 4.875% Senior Notes due 2030.
Euro notes	€1,100,000,000 aggregate principal amount of 3.625% Senior Notes due 2030.
Maturity	
Dollar notes	The dollar notes will mature on June 15, 2030.
Euro notes	The euro notes will mature on June 15, 2030.
Interest	
Dollar notes	The dollar notes will bear interest at 4.875% per annum. Interest on the dollar notes will accrue from October 25, 2019 and be payable semiannually on June 15 and December 15 of each year, commencing June 15, 2020, and at maturity.
Euro notes	The euro notes will bear interest at 3.625% per annum. Interest on the euro notes will accrue from October 25, 2019 and be payable semiannually on June 15 and December 15 of each year, commencing June 15, 2020, and at maturity.
Guarantees	The notes will not initially be guaranteed by any of our subsidiaries. In the future, the notes may be guaranteed on a senior unsecured basis by certain of our domestic subsidiaries.
Ranking of the Notes	The notes will be our senior general unsecured obligations. The notes will rank: • pari passu in right of payment with all of our existing and future senior indebtedness; • effectively subordinated to our secured indebtedness, to the extent of the value of the assets securing such indebtedness or other obligations; and • structurally subordinated to any indebtedness and other liabilities of any of our non-guarantor subsidiaries. As of September 30, 2019: • on a pro forma basis after giving effect to the issuance of the notes, we would have had approximately $14.7 billion of total

	indebtedness (none of which is secured); and • our subsidiaries had approximately $5.4 billion of outstanding total liabilities, including trade payables and content liabilities but excluding (i) intercompany liabilities and (ii) obligations of a type not required to be reflected on a balance sheet of such subsidiaries, all of which will be structurally senior to the notes. As of September 30, 2019, we, together with our subsidiaries, had approximately $8.3 billion of total content liabilities as reflected on our consolidated balance sheet. The foregoing presentation of outstanding indebtedness and liabilities does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant.
Ranking of the Guarantees	Any future note guarantees will be senior general unsecured obligations of the subsidiary guarantors. Such note guarantees will rank: • pari passu in right of payment with all existing and future senior indebtedness of such guarantor; and • effectively subordinated to any secured indebtedness of such guarantor, to the extent of the value of the assets securing such indebtedness. As of September 30, 2019, the non-guarantor subsidiaries collectively had approximately $5.4 billion of outstanding total liabilities, including trade payables and content liabilities but excluding (i) intercompany liabilities and (ii) obligations of a type not required to be reflected on a balance sheet of such subsidiaries, all of which would be structurally senior to the notes. The foregoing presentation of outstanding indebtedness and liabilities does not include streaming content commitments that do not meet the criteria for liability recognition, the amount of which are significant.
Optional Redemption	We may redeem the dollar notes and/or the euro notes, in whole or in part, at a price equal to 100% of the principal amount thereof plus an applicable premium and accrued and unpaid interest thereon, if any, to but excluding the redemption date, as described in this offering memorandum under “Description of Dollar Notes—Optional Redemption” and “Description of Euro Notes—Optional Redemption.”

	In addition, on or after March 15, 2030 in the case of the dollar notes (three months prior to the maturity date of the dollar notes) and on or after March 15, 2030 in the case of the euro notes (three months prior to the maturity date of the euro notes), we may redeem the dollar notes and/or the euro notes at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the date of redemption. See "Description of Dollar Notes—Optional Redemption" and "Description of Euro Notes—Optional Redemption."
Change of Control	If we experience a change of control triggering event (as defined in the indentures governing the notes), we will be required to make an offer to repurchase the notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to but excluding the date of repurchase. See "Description of Dollar Notes—Repurchase of Notes upon a Change of Control Triggering Event" and "Description of Euro Notes—Repurchase of Notes upon a Change of Control Triggering Event."
Certain Covenants	The indentures that will govern the notes each contain covenants that, among other things, limit: • us and our domestic restricted subsidiaries' ability to create certain liens and enter into sale and lease-back transactions; • our domestic restricted subsidiaries' ability to create, assume, incur or guarantee additional indebtedness without such subsidiary guaranteeing the applicable notes on a pari passu basis; and • us and our domestic restricted subsidiaries' ability to consolidate or merge with, or convey, transfer or lease all or substantially all of our assets, to another person. These covenants are subject to a number of important limitations and exceptions as described under "Description of Dollar Notes—Certain Covenants" and "Description of Euro Notes—Certain Covenants."
No Registration Rights; Transfer Restrictions	We have not registered, and we are not required and do not intend to register, the notes under the Securities Act or any state securities laws. The notes are subject to restrictions on transfer and may only be offered or sold in transactions exempt from or not subject to the registration requirements of the Securities Act. See "Transfer Restrictions."
No Prior Market	The notes will be new issues of securities for which there is currently no established public market.

	Although the initial purchasers have informed us that they intend to make a market in the notes, they are not obligated to do so and may discontinue market-making at any time without notice. Accordingly, a liquid market for the notes may not develop or be maintained. See "Risk Factors—Risks Related to the Notes—Your ability to transfer the notes may be limited by the absence of an active trading market, and an active trading market may not develop for the notes."
Listing and Admission to Trading	In the case of dollar notes, we do not intend to apply to have such notes listed on any securities exchange or to arrange for quotation on any automated dealer quotation systems. In the case of euro notes, an application has been made to the Authority for such notes to be admitted to the Official List for trading on the Exchange. There is no assurance that such application will be successful or that the euro notes will be admitted to the Official List and to trading on the Exchange. Consummation of the offering of the euro notes is not contingent upon obtaining such admission to the Official List or to trading on the Exchange.
Use of Proceeds	We intend to use the net proceeds from this offering for general corporate purposes, which may include content acquisitions, production and development, capital expenditures, investments, working capital and potential acquisitions and strategic transactions. See "Use of Proceeds."
Denominations	
Dollar notes	The dollar notes will only be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Euro notes	The euro notes will only be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.
Forms	
Dollar notes	The dollar notes will initially be issued in fully registered book-entry form and will be represented by one or more global notes deposited with the trustee as custodian for DTC. Beneficial interests in the dollar notes will be shown on, and transfers will be effected through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in such global notes), and these beneficial interests may not be exchanged for certificated dollar notes, except in limited circumstances. See "Description of Dollar

	Notes—Book-Entry, Form, Denomination and Delivery of Dollar Notes."
Euro notes	The euro notes will initially be issued in fully registered book-entry form and will be represented by one or more global notes deposited with, and registered in the name of, a common depositary for Clearstream and Euroclear, or a nominee of such common depositary. Beneficial interests in the euro notes will be shown on, and transfers will be effected through, records maintained by Clearstream and Euroclear and their participants, and these beneficial interests may not be exchanged for certificated notes, except in limited circumstances. See "Description of Euro Notes—Book-Entry, Form, Denomination and Delivery of Euro Notes."
Governing Law	The notes and the indentures will be governed by the laws of the State of New York.
Trustee	Wells Fargo Bank, National Association.
Paying Agent	
Dollar notes	Wells Fargo Bank, National Association.
Euro notes	Elavon Financial Services DAC, UK Branch.
Registrar	
Dollar notes	Wells Fargo Bank, National Association.
Euro notes	Elavon Financial Services DAC.
Risk Factors	You should carefully consider all of the information set forth in this offering memorandum, including the information incorporated by reference, and, in particular, should evaluate the specific factors set forth in this offering memorandum under "Risk Factors" for an explanation of certain risks you should consider before investing in the notes.

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA

The following table presents summary historical consolidated financial and other data of Netflix and its subsidiaries as of and for the years ended December 31, 2016, 2017 and 2018, the nine months ended September 30, 2018 and 2019, and the last twelve months ended September 30, 2019. The consolidated financial and other data for the years ended December 31, 2016, 2017 and 2018 have been derived from our audited consolidated financial statements and the consolidated financial information for the nine months ended September 30, 2018 and 2019 and the last twelve months ended September 30, 2019 have been derived from our unaudited consolidated financial statements. Operating results for the nine months ended September 30, 2019 are not necessarily indicative of the results that may be expected for the entire year ending December 31, 2019. You should read this data in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A, and of our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019 and September 30, 2019 and our consolidated financial statements and related notes incorporated by reference herein.

	Year Ended December 31,			Nine Months Ended September 30,		Last twelve months ended September 30,
	2016	2017	2018	2018	2019	2019
			(in thousands)			
		(audited)		(unaudited)		(unaudited)
Revenue	$ 8,830,669	$11,692,713	$15,794,341	$11,607,500	$14,689,013	$18,875,854
Cost of revenues	6,257,462	8,033,000	9,967,538	7,234,138	8,974,190	11,707,590
Marketing	1,097,519	1,436,281	2,369,469	1,639,114	1,773,525	2,503,880
Technology and development	780,232	953,710	1,221,814	890,025	1,135,773	1,467,562
General and administrative	315,663	431,043	630,294	454,764	659,783	835,313
Operating income	379,793	838,679	1,605,226	1,389,459	2,145,742	2,361,509
Other income (expense):						
Interest expense	(150,114)	(238,204)	(420,493)	(291,686)	(448,222)	(577,029)
Interest and other income (expense):	30,828	(115,154)	41,725	9,289	215,378	247,814
Income before income taxes	260,507	485,321	1,226,458	1,107,062	1,912,898	2,032,294
Provision for (benefit from) income taxes	73,829	(73,608)	15,216	29,754	632,952	618,414
Net income	$ 186,678	$ 558,929	$ 1,211,242	$ 1,077,308	$ 1,279,946	$ 1,413,880
Cash flows provided by (used in)						
Operating activities	$(1,473,984)	$ (1,785,948)	$ (2,680,479)	$ (1,445,407)	$ (1,425,347)	$ (2,660,419)
Investing activities	49,765	34,329	(339,120)	(258,762)	(179,493)	(259,851)
Acquisition of DVD content assets	(77,177)	(53,720)	(38,586)	(31,079)	(21,602)	(29,109)
Purchases of property and equipment	(107,653)	(173,302)	(173,946)	(103,826)	(145,298)	(215,418)
Change in other assets	(941)	(6,689)	(126,588)	(123,857)	(12,593)	(15,324)
Financing activities	1,091,630	3,076,990	4,048,527	1,994,663	2,281,861	4,335,725

	As of December 31,			As of September 30,	
	2016	2017	2018	2018	2019
			(in thousands)		
		(audited)		(unaudited)	
Consolidated balance sheet data:					
Cash and cash equivalents	$ 1,467,576	$ 2,822,795	$ 3,794,483	$ 3,067,534	$ 4,435,018
Short-term investments	266,206	—	—	—	—
Total content assets, net	11,000,808	14,681,989	20,112,140	18,396,359	23,234,994
Property and equipment (net)	250,395	319,404	418,281	371,152	481,992
Total assets	$13,586,610	$19,012,742	$25,974,400	$23,366,229	$30,941,711
Total content liabilities[1]	6,527,365	7,502,837	8,445,045	8,206,834	8,280,094
Long-term debt (net of issuance costs)	3,364,311	6,499,432	10,360,058	8,336,586	12,425,746
Other liabilities (ST and LT)	1,015,134	1,428,517	1,930,532	1,813,156	3,374,366
Total liabilities	$10,906,810	$15,430,786	$20,735,635	$18,356,576	$24,080,206
Total stockholders' equity	$ 2,679,800	$ 3,581,956	$ 5,238,765	$ 5,009,653	$ 6,861,505

(1) Does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. For more information on our streaming content obligations, including those not on our consolidated balance sheet, see Note 6, Commitments and Contingencies in Item 1 of Part I of our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019.

	Year Ended December 31,			Nine Months Ended September 30,		Last twelve months ended September 30,
	2016	2017	2018	2018	2019	2019
			(in thousands)			
		(audited)		(unaudited)		(unaudited)
Global streaming membership metrics						
Paid streaming memberships at end of period	89,090	110,644	139,259	130,422	158,334	158,334
Paid net membership additions	18,251	21,554	28,615	19,778	19,075	27,912
Free trials at end of period	4,706	6,938	9,196	6,677	5,590	5,590

	Year Ended December 31,			Nine Months Ended September 30,		Last twelve months ended September 30,
	2016	2017	2018	2018	2019	2019
			(in thousands)			
		(audited)		(unaudited)		(unaudited)
Net income	$186,678	$558,929	$1,211,242	$1,077,308	$1,279,946	$1,413,880
Add:						
Interest and other expense	119,286	353,358	378,768	282,397	232,844	329,215
Provision for (benefit from) income taxes	73,829	(73,608)	15,216	29,754	632,952	618,414
Depreciation and amortization of property, equipment and intangibles	57,528	71,911	83,157	59,938	75,761	98,980
Stock-based compensation expense	173,675	182,209	320,657	231,943	305,310	394,024

	Year Ended December 31,			Nine Months Ended September 30,		Last twelve months ended September 30,
	2016	2017	2018	2018	2019	2019
				(unaudited)		(unaudited)
			(in thousands)			
Adjusted EBITDA	$ 610,996	$ 1,092,799	$ 2,009,040	$ 1,681,340	$ 2,526,813	$ 2,854,513
Add: Amortization of streaming content assets	4,788,498	6,197,817	7,532,088	5,478,428	6,636,578	8,690,238
Less: Additions to streaming content assets	(8,653,286)	(9,805,763)	(13,043,437)	(9,259,185)	(9,971,141)	(13,755,393)
Add: Changes in streaming content liabilities	1,772,650	900,006	999,880	733,227	(122,660)	143,993
Less: Acquisition of DVD content assets	(77,177)	(53,720)	(38,586)	(31,079)	(21,602)	(29,109)
Less: Income tax benefit (expense)	(73,829)	73,608	(15,216)	(29,754)	(632,952)	(618,414)
Less: Purchases of property and equipment	(107,653)	(173,302)	(173,946)	(103,826)	(145,298)	(215,418)
Less: Interest and other income/expense	(119,286)	(353,358)	(378,768)	(282,397)	(232,844)	(329,215)
Add: Other cash flows	199,332	102,254	89,346	109,077	358,266	338,535
Free cash flows	$(1,659,755)	$(2,019,659)	$ (3,019,599)	$(1,704,169)	$(1,604,840)	$ (2,920,270)

(1) Adjusted EBITDA has been derived in a manner consistent with the calculation of "Consolidated EBITDA" as defined in the indentures governing the notes.

RISK FACTORS

An investment in the notes involves a high degree of risk. In addition to the other information included in or incorporated by reference into this offering memorandum, prospective investors should carefully consider the following risks before making an investment in the notes. If any of the following risks actually occurs, our business, financial condition and operating results could be materially adversely affected, which, in turn, could adversely affect the price of the notes or our ability to pay interest and principal on the notes. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition and results of operations.

Risks Related to Our Business

If our efforts to attract and retain members are not successful, our business will be adversely affected.

We have experienced significant membership growth over the past several years. Our ability to continue to attract members will depend in part on our ability to consistently provide our members with compelling content choices, as well as a quality experience for selecting and viewing TV series and movies. Furthermore, the relative service levels, content offerings, pricing and related features of competitors to our service may adversely impact our ability to attract and retain memberships. Competitors include other entertainment video providers, such as MVPDs, internet-based movie and TV content providers (including those that provide pirated content) and DVD retailers. If consumers do not perceive our service offering to be of value, including if we introduce new or adjust existing features, adjust pricing or service offerings, or change the mix of content in a manner that is not favorably received by them, we may not be able to attract and retain members. In addition, many of our members rejoin our service or originate from word-of-mouth advertising from existing members. If our efforts to satisfy our existing members are not successful, we may not be able to attract members, and as a result, our ability to maintain and/or grow our business will be adversely affected. Members cancel our service for many reasons, including a perception that they do not use the service sufficiently, the need to cut household expenses, availability of content is unsatisfactory, competitive services provide a better value or experience and customer service issues are not satisfactorily resolved. We must continually add new memberships both to replace canceled memberships and to grow our business beyond our current membership base. If we do not grow as expected, given, in particular, that our content costs are largely fixed in nature and contracted over several years, we may not be able to adjust our expenditures or increase our (per membership) revenues commensurate with the lowered growth rate such that our margins, liquidity and results of operation may be adversely impacted. If we are unable to successfully compete with current and new competitors in both retaining our existing memberships and attracting new memberships, our business will be adversely affected. Further, if excessive numbers of members cancel our service, we may be required to incur significantly higher marketing expenditures than we currently anticipate to replace these members with new members.

Changes in competitive offerings for entertainment video, including the potential rapid adoption of piracy-based video offerings, could adversely impact our business.

The market for entertainment video is intensely competitive and subject to rapid change. Through new and existing distribution channels, consumers have increasing options to access entertainment video. The various economic models underlying these channels include subscription, transactional, ad-supported and piracy-based models. All of these have the potential to capture meaningful segments of the entertainment video market. Piracy, in particular, threatens to damage our business, as its fundamental proposition to consumers is so compelling and difficult to compete against: virtually all content for free. Furthermore, in light of the compelling consumer proposition, piracy services are subject to rapid global growth. Traditional providers of entertainment video, including broadcasters and cable network operators, as well as internet based e-commerce or entertainment video providers are increasing their internet-based video offerings. Several of these competitors have long operating histories, large customer bases, strong brand recognition, exclusive rights to certain content and significant financial, marketing and other resources. They may secure better terms from suppliers, adopt

more aggressive pricing and devote more resources to product development, technology, infrastructure, content acquisitions and marketing. New entrants may enter the market or existing providers may adjust their services with unique offerings or approaches to providing entertainment video. Companies also may enter into business combinations or alliances that strengthen their competitive positions. If we are unable to successfully or profitably compete with current and new competitors, our business will be adversely affected, and we may not be able to increase or maintain market share, revenues or profitability.

The long-term and fixed cost nature of our content commitments may limit our operating flexibility and could adversely affect our liquidity and results of operations.

In connection with licensing streaming content, we typically enter into multi-year commitments with studios and other content providers. We also enter into multi-year commitments for content that we produce, either directly or through third parties, including elements associated with these productions such as non-cancelable commitments under talent agreements. The payment terms of these agreements are not tied to member usage or the size of our membership base ("fixed cost") but may be determined by costs of production or tied to such factors as titles licensed and/or theatrical exhibition receipts. Such commitments, to the extent estimable under accounting standards, are included in the Contractual Obligations section of Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A, and Note 6, Commitments and Contingencies in Item 1 of Part I of our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019. Given the multiple-year duration and largely fixed cost nature of content commitments, if membership acquisition and retention do not meet our expectations, our margins may be adversely impacted. Payment terms for certain content commitments, such as content we directly produce, will typically require more up-front cash payments than other content licenses or arrangements whereby we do not cashflow the production of such content. To the extent membership and/or revenue growth do not meet our expectations, our liquidity and results of operations could be adversely affected as a result of content commitments and accelerated payment requirements of certain agreements. In addition, the long-term and fixed cost nature of our content commitments may limit our flexibility in planning for, or reacting to changes in our business and the market segments in which we operate. If we license and/or produce content that is not favorably received by consumers in a territory, or is unable to be shown in a territory, acquisition and retention may be adversely impacted and given the long-term and fixed cost nature of our content commitments, we may not be able to adjust our content offering quickly and our results of operation may be adversely impacted.

We face risks, such as unforeseen costs and potential liability in connection with content we acquire, produce, license and/or distribute through our service.

As a producer and distributor of content, we face potential liability for negligence, copyright and trademark infringement, or other claims based on the nature and content of materials that we acquire, produce, license and/or distribute. We also may face potential liability for content used in promoting our service, including marketing materials. We are devoting more resources toward the development, production, marketing and distribution of original programming, including TV series and movies. We believe that original programming can help differentiate our service from other offerings, enhance our brand and otherwise attract and retain members. To the extent our original programming does not meet our expectations, in particular, in terms of costs, viewing and popularity, our business, including our brand and results of operations may be adversely impacted. As we expand our original programming, we have become responsible for production costs and other expenses, such as ongoing guild payments. We also take on risks associated with production, such as completion and key talent risk. Negotiations or renewals related to entertainment industry collective bargaining agreements could negatively impact timing and costs associated with our productions. We contract with third parties related to the development, production, marketing and distribution of our original programming. We may face potential liability or may suffer losses in connection with these arrangements, including but not limited to if such third parties violate applicable law, become insolvent or engage in fraudulent behavior. To the extent we create and sell physical or digital merchandise relating to our original programming, and/or license such rights to third

parties, we could become subject to product liability, intellectual property or other claims related to such merchandise. We may decide to remove content from our service, not to place licensed or produced content on our service or discontinue or alter production of original content if we believe such content might not be well received by our members or could be damaging to our brand or business.

To the extent we do not accurately anticipate costs or mitigate risks, including for content that we obtain but ultimately does not appear on or is removed from our service, or if we become liable for content we acquire, produce, license and/or distribute, our business may suffer. Litigation to defend these claims could be costly and the expenses and damages arising from any liability or unforeseen production risks could harm our results of operations. We may not be indemnified against claims or costs of these types and we may not have insurance coverage for these types of claims.

If studios, content providers or other rights holders refuse to license streaming content or other rights upon terms acceptable to us, our business could be adversely affected.

Our ability to provide our members with content they can watch depends on studios, content providers and other rights holders licensing rights to distribute such content and certain related elements thereof, such as the public performance of music contained within the content we distribute. The license periods and the terms and conditions of such licenses vary. As content providers develop their own streaming services, they may be unwilling to provide us with access to certain content, including popular series or movies. If the studios, content providers and other rights holders are not or are no longer willing or able to license us content upon terms acceptable to us, our ability to stream content to our members will be adversely affected and/or our costs could increase. Certain licenses for content provide for the studios or other content providers to withdraw content from our service relatively quickly. Because of these provisions as well as other actions we may take, content available through our service can be withdrawn on short notice. As competition increases, we may see the cost of programming increase. As we seek to differentiate our service, we are increasingly focused on securing certain exclusive rights when obtaining content, including original content. We are also focused on programming an overall mix of content that delights our members in a cost efficient manner. Within this context, we are selective about the titles we add and renew to our service. If we do not maintain a compelling mix of content, our membership acquisition and retention may be adversely affected.

Music and certain authors' performances contained within content we distribute may require us to obtain licenses for such distribution. In this regard, we engage in negotiations with collection management organizations ("CMOs") that hold certain rights to music and/or other interests in connection with streaming content into various territories. If we are unable to reach mutually acceptable terms with these organizations, we could become involved in litigation and/or could be enjoined from distributing certain content, which could adversely impact our business. Additionally, pending and ongoing litigation as well as negotiations between certain CMOs and other third parties in various territories could adversely impact our negotiations with CMOs, or result in music publishers represented by certain CMOs unilaterally withdrawing rights, and thereby adversely impact our ability to reach licensing agreements reasonably acceptable to us. Failure to reach such licensing agreements could expose us to potential liability for copyright infringement or otherwise increase our costs. Additionally, as the market for digital distribution of content grows, a broader role for CMOs in the remuneration of authors and performers could expose us to greater distribution expenses.

If we are not able to manage change and growth, our business could be adversely affected.

We are expanding our operations internationally, scaling our streaming service to effectively and reliably handle anticipated growth in both members and features related to our service, ramping up our ability to produce original content, as well as continuing to operate our DVD service within the U.S. As our international offering evolves, we are managing and adjusting our business to address varied content offerings, consumer customs and practices, in particular those dealing with e-commerce and internet video, as well as differing legal and regulatory environments. As we scale our streaming service, we are developing technology and utilizing

third-party "cloud" computing services. As we ramp up our original content production, we are building out expertise in a number of disciplines, including creative, marketing, legal, finance, licensing, merchandising and other resources related to the development and physical production of content. If we are not able to manage the growing complexity of our business, including improving, refining or revising our systems and operational practices related to our streaming operations and original content, our business may be adversely affected.

We could be subject to economic, political, regulatory and other risks arising from our international operations.

Operating in international markets requires significant resources and management attention and will subject us to economic, political, regulatory and other risks that may be different from or incremental to those in the U.S. In addition to the risks that we face in the U.S., our international operations involve risks that could adversely affect our business, including:

- the need to adapt our content and user interfaces for specific cultural and language differences;
- difficulties and costs associated with staffing and managing foreign operations;
- political or social unrest and economic instability;
- compliance with U.S. laws such as the Foreign Corrupt Practices Act, UK Bribery Act and other anti-corruption laws, export controls and economic sanctions, and local laws prohibiting corrupt payments to government officials;
- difficulties in understanding and complying with local laws, regulations and customs in foreign jurisdictions;
- regulatory requirements or government action against our service, whether in response to enforcement of actual or purported legal and regulatory requirements or otherwise, that results in disruption or non-availability of our service or particular content in the applicable jurisdiction;
- foreign intellectual property laws, or changes to such laws, which may be less favorable than U.S. law and, among other issues, may impact the economics of creating or distributing content, anti-piracy efforts, or our ability to protect or exploit intellectual property rights;
- adverse tax consequences such as those related to changes in tax laws or tax rates or their interpretations and the related application of judgment in determining our global provision for income taxes, deferred tax assets or liabilities or other tax liabilities given the ultimate tax determination is uncertain;
- fluctuations in currency exchange rates, which we do not use foreign exchange contracts or derivatives to hedge against and which could impact revenues and expenses of our international operations and expose us to foreign currency exchange rate risk;
- profit repatriation and other restrictions on the transfer of funds;
- differing payment processing systems as well as consumer use and acceptance of electronic payment methods, such as payment cards;
- new and different sources of competition;
- censorship requirements that cause us to remove or edit popular content, leading to consumer disappointment or dissatisfaction with our service;
- low usage and/or penetration of internet-connected consumer electronic devices;
- different and more stringent user protection, data protection, privacy and other laws, including data localization requirements;
- availability of reliable broadband connectivity and wide area networks in targeted areas for expansion;

- integration and operational challenges as well as potential unknown liabilities in connection with companies we may acquire or control;
- differing, and often more lenient, laws and consumer understanding/attitudes regarding the illegality of piracy; and
- implementation of regulations designed to stimulate the local production of film and TV series in order to promote and preserve local culture and economic activity, including local content quotas, investment obligations, and levies to support local film funds.

Our failure to manage any of these risks successfully could harm our international operations and our overall business, and results of our operations.

We are subject to taxation related risks in multiple jurisdictions.

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Significant judgment is required in determining our global provision for income taxes, deferred tax assets or liabilities and in evaluating our tax positions on a worldwide basis. While we believe our tax positions are consistent with the tax laws in the jurisdictions in which we conduct our business, it is possible that these positions may be contested or overturned by jurisdictional tax authorities, which may have a significant impact on our global provision for income taxes.

Tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. The U.S. recently enacted significant tax reform, and certain provisions of the new law may adversely affect us. In addition, governmental tax authorities are increasingly scrutinizing the tax positions of companies. Many countries in the European Union, as well as a number of other countries and organizations such as the Organization for Economic Cooperation and Development, are actively considering changes to existing tax laws that, if enacted, could increase our tax obligations in countries where we do business. If U.S. or other foreign tax authorities change applicable tax laws, our overall taxes could increase, and our business, financial condition or results of operations may be adversely impacted.

If we fail to maintain or, in newer markets establish, a positive reputation concerning our service, including the content we offer, we may not be able to attract or retain members, and our operating results may be adversely affected.

We believe that a positive reputation concerning our service is important in attracting and retaining members. To the extent our content, in particular, our original programming, is perceived as low quality, offensive or otherwise not compelling to consumers, our ability to establish and maintain a positive reputation may be adversely impacted. To the extent our content is deemed controversial or offensive by government regulators, we may face direct or indirect retaliatory action or behavior, including being required to remove such content from our service, our entire service could be banned and/or become subject to heightened regulatory scrutiny across our business and operations. Furthermore, to the extent our marketing, customer service and public relations efforts are not effective or result in negative reaction, our ability to establish and maintain a positive reputation may likewise be adversely impacted. With newer markets, we also need to establish our reputation with consumers and to the extent we are not successful in creating positive impressions, our business in these newer markets may be adversely impacted.

Changes in how we market our service could adversely affect our marketing expenses and membership levels may be adversely affected.

We utilize a broad mix of marketing and public relations programs, including social media sites, to promote our service to potential new members. We may limit or discontinue use or support of certain marketing sources or activities if advertising rates increase or if we become concerned that members or potential members deem

certain marketing platforms or practices intrusive or damaging to our brand. If the available marketing channels are curtailed, our ability to attract new members may be adversely affected. Companies that promote our service may decide that we negatively impact their business or may make business decisions that in turn negatively impact us. For example, if they decide that they want to compete more directly with us, enter a similar business or exclusively support our competitors, we may no longer have access to their marketing channels. We also acquire a number of members who rejoin our service having previously cancelled their membership. If we are unable to maintain or replace our sources of members with similarly effective sources, or if the cost of our existing sources increases, our member levels and marketing expenses may be adversely affected.

We utilize marketing to promote our content and drive viewing by our members. To the extent we promote our content inefficiently or ineffectively, we may not obtain the expected acquisition and retention benefits and our business may be adversely affected.

We rely upon a number of partners to make our service available on their devices.

We currently offer members the ability to receive streaming content through a host of internet-connected screens, including TVs, digital video players, television set-top boxes and mobile devices. We have agreements with various cable, satellite and telecommunications operators to make our service available through the television set-top boxes of these service providers. In many instances, our agreements also include provisions by which the partner bills consumers directly for the Netflix service or otherwise offers services or products in connection with offering our service. We intend to continue to broaden our relationships with existing partners and to increase our capability to stream TV series and movies to other platforms and partners over time. If we are not successful in maintaining existing and creating new relationships, or if we encounter technological, content licensing, regulatory, business or other impediments to delivering our streaming content to our members via these devices, our ability to retain members and grow our business could be adversely impacted.

Our agreements with our partners are typically between one and three years in duration and our business could be adversely affected if, upon expiration, a number of our partners do not continue to provide access to our service or are unwilling to do so on terms acceptable to us, which terms may include the degree of accessibility and prominence of our service. Furthermore, devices are manufactured and sold by entities other than Netflix and while these entities should be responsible for the devices' performance, the connection between these devices and Netflix may nonetheless result in consumer dissatisfaction toward Netflix and such dissatisfaction could result in claims against us or otherwise adversely impact our business. In addition, technology changes to our streaming functionality may require that partners update their devices. If partners do not update or otherwise modify their devices, our service and our members' use and enjoyment could be negatively impacted.

Any significant disruption in or unauthorized access to our computer systems or those of third parties that we utilize in our operations, including those relating to cybersecurity or arising from cyber-attacks, could result in a loss or degradation of service, unauthorized disclosure of data, including member and corporate information, or theft of intellectual property, including digital content assets, which could adversely impact our business.

Our reputation and ability to attract, retain and serve our members is dependent upon the reliable performance and security of our computer systems and those of third parties that we utilize in our operations. These systems may be subject to damage or interruption from earthquakes, adverse weather conditions, other natural disasters, terrorist attacks, power loss, telecommunications failures, and cybersecurity risks. Interruptions in these systems, or with the internet in general, could make our service unavailable or degraded or otherwise hinder our ability to deliver streaming content or fulfill DVD selections. Service interruptions, errors in our software or the unavailability of computer systems used in our operations could diminish the overall attractiveness of our membership service to existing and potential members.

Our computer systems and those of third parties we use in our operations are subject to cybersecurity threats, including cyber-attacks, both from state-sponsored and individual activity, such as computer viruses,

denial of service attacks, physical or electronic break-ins and similar disruptions. These systems periodically experience directed attacks intended to lead to interruptions and delays in our service and operations as well as loss, misuse or theft of data, confidential information or intellectual property. Additionally, outside parties may attempt to fraudulently induce employees or users to disclose sensitive or confidential information in order to gain access to data. Any attempt by hackers to obtain our data (including member and corporate information) or intellectual property (including digital content assets), disrupt our service, or otherwise access our systems, or those of third parties we use, if successful, could harm our business, be expensive to remedy and damage our reputation. We have implemented certain systems and processes to thwart hackers and protect our data and systems, but techniques used to gain unauthorized access to data and software are constantly evolving, and we may be unable to anticipate or prevent unauthorized access. Because of our prominence, we (and/or third parties we use) may be a particularly attractive target for such attacks, and from time to time, we have experienced an unauthorized release of certain digital content assets. However, to date these unauthorized releases have not had a material impact on our service or systems. There is no assurance that hackers may not have a material impact on our service or systems in the future. Our insurance does not cover expenses related to such disruptions or unauthorized access. Efforts to prevent hackers from disrupting our service or otherwise accessing our systems are expensive to develop, implement and maintain. These efforts require ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated, and may limit the functionality of or otherwise negatively impact our service offering and systems. Any significant disruption to our service or access to our systems could result in a loss of memberships and adversely affect our business and results of operation. Further, a penetration of our systems or a third-party's systems or other misappropriation or misuse of personal information could subject us to business, regulatory, litigation and reputation risk, which could have a negative effect on our business, financial condition and results of operations.

We utilize our own communications and computer hardware systems located either in our facilities or in that of a third-party Web hosting provider. In addition, we utilize third-party "cloud" computing services in connection with our business operations. We also utilize our own and third-party content delivery networks to help us stream TV series and movies in high volume to Netflix members over the internet. Problems faced by us or our third-party Web hosting, "cloud" computing, or other network providers, including technological or business-related disruptions, as well as cybersecurity threats and regulatory interference, could adversely impact the experience of our members.

We rely upon Amazon Web Services to operate certain aspects of our service and any disruption of or interference with our use of the Amazon Web Services operation would impact our operations and our business would be adversely impacted.

Amazon Web Services ("AWS") provides a distributed computing infrastructure platform for business operations, or what is commonly referred to as a "cloud" computing service. We have architected our software and computer systems so as to utilize data processing, storage capabilities and other services provided by AWS. Currently, we run the vast majority of our computing on AWS. Given this, along with the fact that we cannot easily switch our AWS operations to another cloud provider, any disruption of or interference with our use of AWS would impact our operations and our business would be adversely impacted. While the retail side of Amazon competes with us, we do not believe that Amazon will use the AWS operation in such a manner as to gain competitive advantage against our service, although if it was to do so it could harm our business.

If the technology we use in operating our business fails, is unavailable, or does not operate to expectations, our business and results of operation could be adversely impacted.

We utilize a combination of proprietary and third-party technology to operate our business. This includes the technology that we have developed to recommend and merchandise content to our consumers as well as enable fast and efficient delivery of content to our members and their various consumer electronic devices. For example, we have built and deployed our own content-delivery network ("CDN"). To the extent Internet Service Providers ("ISPs") do not interconnect with our CDN, or if we experience difficulties in its operation, our ability

to efficiently and effectively deliver our streaming content to our members could be adversely impacted and our business and results of operation could be adversely affected. Likewise, if our recommendation and merchandising technology does not enable us to predict and recommend titles that our members will enjoy, our ability to attract and retain members may be adversely affected. We also utilize third-party technology to help market our service, process payments, and otherwise manage the daily operations of our business. If our technology or that of third-parties we utilize in our operations fails or otherwise operates improperly, including as a result of "bugs" in our development and deployment of software, our ability to operate our service, retain existing members and add new members may be impaired. Any harm to our members' personal computers or other devices caused by software used in our operations could have an adverse effect on our business, results of operations and financial condition.

If government regulations relating to the internet or other areas of our business change, we may need to alter the manner in which we conduct our business, or incur greater operating expenses.

The adoption or modification of laws or regulations relating to the internet or other areas of our business could limit or otherwise adversely affect the manner in which we currently conduct our business. As our service and others like us gain traction in international markets, governments are increasingly looking to introduce new or extend legacy regulations to these services, in particular those related to broadcast media and tax. For example, recent changes to European law enables individual member states to impose levies and other financial obligations on media operators located outside their jurisdiction. In addition, the continued growth and development of the market for online commerce may lead to more stringent consumer protection laws, which may impose additional burdens on us. If we are required to comply with new regulations or legislation or new interpretations of existing regulations or legislation, this compliance could cause us to incur additional expenses or alter our business model.

Changes in laws or regulations that adversely affect the growth, popularity or use of the internet, including laws impacting net neutrality, could decrease the demand for our service and increase our cost of doing business. Certain laws intended to prevent network operators from discriminating against the legal traffic that traverse their networks have been implemented in many countries, including across the European Union. In others, the laws may be nascent or non-existent. Furthermore, favorable laws may change, including for example, in the United States where net neutrality regulations were repealed. Given uncertainty around these rules, including changing interpretations, amendments or repeal, coupled with potentially significant political and economic power of local network operators, we could experience discriminatory or anti-competitive practices that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business.

Changes in how network operators handle and charge for access to data that travel across their networks could adversely impact our business.

We rely upon the ability of consumers to access our service through the internet. If network operators block, restrict or otherwise impair access to our service over their networks, our service and business could be negatively affected. To the extent that network operators implement usage based pricing, including meaningful bandwidth caps, or otherwise try to monetize access to their networks by data providers, we could incur greater operating expenses and our membership acquisition and retention could be negatively impacted. Furthermore, to the extent network operators create tiers of internet access service and either charge us for or prohibit us from being available through these tiers, our business could be negatively impacted.

Most network operators that provide consumers with access to the internet also provide these consumers with multichannel video programming. As such, many network operators have an incentive to use their network infrastructure in a manner adverse to our continued growth and success. While we believe that consumer demand, regulatory oversight and competition will help check these incentives, to the extent that network operators are able to provide preferential treatment to their data as opposed to ours or otherwise implement discriminatory network management practices, our business could be negatively impacted. The extent to which these incentives limit operator behavior differs across markets.

Privacy concerns could limit our ability to collect and leverage our membership data and disclosure of membership data could adversely impact our business and reputation.

In the ordinary course of business and in particular in connection with content acquisition and merchandising our service to our members, we collect and utilize data supplied by our members. We currently face certain legal obligations regarding the manner in which we treat such information, including but not limited to Regulation (EU) 2016/679 (also known as the General Data Protection Regulation or "GDPR"). Other businesses have been criticized by privacy groups and governmental bodies for attempts to link personal identities and other information to data collected on the internet regarding users' browsing and other habits. Increased regulation of data utilization practices, including self-regulation or findings under existing laws that limit our ability to collect, transfer and use data, could have an adverse effect on our business. In addition, if we were to disclose data about our members in a manner that was objectionable to them, our business reputation could be adversely affected, and we could face potential legal claims that could impact our operating results. Internationally, we may become subject to additional and/or more stringent legal obligations concerning our treatment of customer and other personal information, such as laws regarding data localization and/or restrictions on data export. Failure to comply with these obligations could subject us to liability, and to the extent that we need to alter our business model or practices to adapt to these obligations, we could incur additional expenses.

Our reputation and relationships with members would be harmed if our membership data, particularly billing data, were to be accessed by unauthorized persons.

We maintain personal data regarding our members, including names and billing data. This data is maintained on our own systems as well as that of third parties we use in our operations. With respect to billing data, such as credit card numbers, we rely on encryption and authentication technology to secure such information. We take measures to protect against unauthorized intrusion into our members' data. Despite these measures we, our payment processing services or other third-party services we use such as AWS, could experience an unauthorized intrusion into our members' data. In the event of such a breach, current and potential members may become unwilling to provide the information to us necessary for them to remain or become members. We also may be required to notify regulators about any actual or perceived data breach (including the EU Lead Data Protection Authority) as well as the individuals who are affected by the incident within strict time periods. Additionally, we could face legal claims or regulatory fines or penalties for such a breach. The costs relating to any data breach could be material, and we currently do not carry insurance against the risk of a data breach. We also maintain employment and personal information concerning our employees, as well as personal information of others working on our productions. Should an unauthorized intrusion into our members' or employees' data occur, our business could be adversely affected and our larger reputation with respect to data protection could be negatively impacted.

We are subject to payment processing risk.

Our members pay for our service using a variety of different payment methods, including credit and debit cards, gift cards, prepaid cards, direct debit, online wallets and direct carrier and partner billing. We rely on internal systems as well as those of third parties to process payment. Acceptance and processing of these payment methods are subject to certain rules and regulations and require payment of interchange and other fees. To the extent there are increases in payment processing fees, material changes in the payment ecosystem, such as large re-issuances of payment cards, delays in receiving payments from payment processors, changes to rules or regulations concerning payment processing, loss of payment partners and/or disruptions or failures in our payment processing systems or payment products, including products we use to update payment information, our revenue, operating expenses and results of operation could be adversely impacted. In certain instances, we leverage third parties such as our cable and other partners to bill subscribers on our behalf. If these third parties become unwilling or unable to continue processing payments on our behalf, we would have to transition subscribers or otherwise find alternative methods of collecting payments, which could adversely impact member acquisition and retention. In addition, from time to time, we encounter fraudulent use of payment methods, which

could impact our results of operations and if not adequately controlled and managed could create negative consumer perceptions of our service. If we are unable to maintain our chargeback rate at acceptable levels, card networks may impose fines and our card approval rate may be impacted. The termination of our ability to process payments on any major payment method would significantly impair our ability to operate our business.

If our trademarks and other proprietary rights are not adequately protected to prevent use or appropriation by our competitors, the value of our brand and other intangible assets may be diminished, and our business may be adversely affected.

We rely and expect to continue to rely on a combination of confidentiality and license agreements with our employees, consultants and third parties with whom we have relationships, as well as trademark, copyright, patent and trade secret protection laws, to protect our proprietary rights. We may also seek to enforce our proprietary rights through court proceedings or other legal actions. We have filed and we expect to file from time to time for trademark and patent applications. Nevertheless, these applications may not be approved, third parties may challenge any copyrights, patents or trademarks issued to or held by us, third parties may knowingly or unknowingly infringe our intellectual property rights, and we may not be able to prevent infringement or misappropriation without substantial expense to us. If the protection of our intellectual property rights is inadequate to prevent use or misappropriation by third parties, the value of our brand, content and other intangible assets may be diminished, competitors may be able to more effectively mimic our service and methods of operations, the perception of our business and service to members and potential members may become confused in the marketplace, and our ability to attract members may be adversely affected.

We currently hold various domain names relating to our brand, including Netflix.com. Failure to protect our domain names could adversely affect our reputation and brand and make it more difficult for users to find our Web site and our service. We may be unable, without significant cost or at all, to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value of our trademarks and other proprietary rights.

Intellectual property claims against us could be costly and result in the loss of significant rights related to, among other things, our website, streaming technology, our recommendation and merchandising technology, title selection processes and marketing activities.

Trademark, copyright, patent and other intellectual property rights are important to us and other companies. Our intellectual property rights extend to our technology, business processes and the content we produce and distribute through our service. We use the intellectual property of third parties in creating some of our content, merchandising our products and marketing our service. From time to time, third parties allege that we have violated their intellectual property rights. If we are unable to obtain sufficient rights, successfully defend our use, or develop non-infringing technology or otherwise alter our business practices on a timely basis in response to claims against us for infringement, misappropriation, misuse or other violation of third-party intellectual property rights, our business and competitive position may be adversely affected. Many companies are devoting significant resources to developing patents that could potentially affect many aspects of our business. There are numerous patents that broadly claim means and methods of conducting business on the internet. We have not searched patents relative to our technology. Defending ourselves against intellectual property claims, whether they are with or without merit or are determined in our favor, results in costly litigation and diversion of technical and management personnel. It also may result in our inability to use our current website, streaming technology, our recommendation and merchandising technology or inability to market our service or merchandise our products. We may also have to remove content from our service, or remove consumer products or marketing materials from the marketplace. As a result of a dispute, we may have to develop non-infringing technology, enter into royalty or licensing agreements, adjust our content, merchandising or marketing activities or take other actions to resolve the claims. These actions, if required, may be costly or unavailable on terms acceptable to us.

We are engaged in legal proceedings that could cause us to incur unforeseen expenses and could occupy a significant amount of our management's time and attention.

From time to time, we are subject to litigation or claims that could negatively affect our business operations and financial position. As we have grown, we have seen a rise in the number of litigation matters against us. These matters have included copyright and other claims related to our content, patent infringement claims, employment related litigation, as well as consumer and securities class actions, each of which are typically expensive to defend. Litigation disputes could cause us to incur unforeseen expenses, result in content unavailability, service disruptions, and otherwise occupy a significant amount of our management's time and attention, any of which could negatively affect our business operations and financial position. We also from time to time receive inquiries and subpoenas and other types of information requests from government authorities and we may become subject to related claims and other actions related to our business activities. While the ultimate outcome of investigations, inquiries, information requests and related legal proceedings is difficult to predict, such matters can be expensive, time-consuming and distracting, and adverse resolutions or settlements of those matters may result in, among other things, modification of our business practices, reputational harm or costs and significant payments, any of which could negatively affect our business operations and financial position.

We may seek additional capital that may result in stockholder dilution or that may have rights senior to those of our common stockholders.

From time to time, we may seek to obtain additional capital, either through equity, equity-linked or debt securities. Our cash flows provided by our operating activities have been negative in each of the last four years, primarily as a result of our decision to increase the amount of original streaming content available on our service. To the extent our cash flows from operations continue to be negative, we anticipate seeking additional capital. The decision to obtain additional capital will depend on, among other things, our business plans, operating performance and condition of the capital markets. If we raise additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our stockholders may experience dilution. Any large equity or equity-linked offering could also negatively impact our stock price.

We may lose key employees or may be unable to hire qualified employees.

We rely on the continued service of our senior management, including our Chief Executive Officer and co-founder Reed Hastings, members of our executive team and other key employees and the hiring of new qualified employees. In our industry, there is substantial and continuous competition for highly-skilled business, product development, technical and other personnel. We may not be successful in recruiting new personnel and in retaining and motivating existing personnel, which may be disruptive to our operations.

Labor disputes may have an adverse effect on the Company's business.

Our partners, suppliers, vendors and we employ the services of writers, directors, actors and other talent as well as trade employees and others who are subject to collective bargaining agreements in the motion picture industry, both in the U.S. and internationally. If expiring collective bargaining agreements cannot be renewed then it is possible that the affected unions could take action in the form of strikes or work stoppages. Such actions, as well as higher costs in connection with these collective bargaining agreements or a significant labor dispute, could have an adverse effect on our business by causing delays in production or by reducing profit margins.

Risks Related to the Notes and our Indebtedness

We may not be able to generate sufficient cash to service our debt and other obligations, including our obligations under the notes.

Our ability to make payments on our indebtedness, including the notes, and our other obligations will depend on our financial and operating performance, which is subject to prevailing economic and competitive

conditions and to certain financial, business and other factors beyond our control. In each of the last four years, our cash flows from operating activities have been negative. We may be unable to attain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the notes, and other obligations, including amounts due under our streaming content obligations.

If we are unable to service our debt and other obligations from cash flows, we may need to refinance or restructure all or a portion of our debt obligations prior to maturity. Our ability to refinance or restructure our debt and other obligations will depend upon the condition of the capital markets and our financial condition at such time. Any refinancing or restructuring could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. If our cash flows are insufficient to service our debt and other obligations, we may not be able to refinance or restructure any of these obligations on commercially reasonable terms or at all and any refinancing or restructuring could have a material adverse effect on our business, results of operations, or financial condition.

If our cash flows are insufficient to fund our debt and other obligations and we are unable to refinance or restructure these obligations, we could face substantial liquidity problems and may be forced to reduce or delay investments and capital expenditures, or to sell material assets or operations to meet our debt and other obligations. We cannot assure you that we would be able to implement any of these alternative measures on satisfactory terms or at all or that the proceeds from such alternatives would be adequate to meet any debt or other obligations then due. If it becomes necessary to implement any of these alternative measures, our business, results of operations, or financial condition could be materially and adversely affected.

We have a substantial amount of indebtedness and other obligations, including streaming content obligations, which could adversely affect our financial position and prevent us from fulfilling our obligations under the notes.

We have a substantial amount of indebtedness and other obligations, including streaming content obligations. As of September 30, 2019, on a pro forma basis for the issuance of the notes, we would have had total debt of approximately $14.7 billion, which includes the notes offered hereby, $500 million of our senior notes due 2021 (the "2021 Notes"), $700 million of our senior notes due 2022 (the "2022 Notes"), $400 million of our senior notes due 2024 (the "2024 Notes"), $800 million of our senior notes due 2025 (the "2025 Notes"), $1.0 billion of our senior notes due 2026 (the "2026 Notes"), approximately $1.4 billion of our senior notes due 2027 (based on an assumed euro to U.S. dollar exchange rate of approximately €1 to $1.0902, which was the exchange rate as of September 30, 2019) (the "2027 Notes"), $1.6 billion of our 4.875% senior notes due 2028 (the "2028A Notes"), $1.9 billion of our 5.875% senior notes due 2028 (the "2028B Notes"), $800 million of our 6.375% senior notes due 2029 (the "2029A Notes"), approximately $1.2 billion of our 4.625% senior notes due 2029 (based on an assumed euro to U.S. dollar exchange rate of approximately €1 to $1.0902, which was the exchange rate as of September 30, 2019) (the "2029B Notes"), approximately $1.3 billion of our 3.875% senior notes due 2029 (based on an assumed euro to U.S. dollar exchange rate of approximately €1 to $1.0902, which was the exchange rate as of September 30, 2019) (the "2029C Notes") and $900 million of our 5.375% senior notes due 2029 (the "2029D Notes" and, together with the 2021 Notes, the 2022 Notes, the 2024 Notes, the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028A Notes, the 2028B Notes, the 2029A Notes, the 2029B Notes and the 2029C Notes, the "Existing Senior Notes"). In addition, on March 29, 2019, we amended our revolving credit agreement that we initially entered into on July 27, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Revolving Credit Facility") to, among other things, provide for a $750 million unsecured revolving credit facility. As of September 30, 2019, we had not borrowed any amount under the Revolving Credit Facility. As of September 30, 2019, we, together with our subsidiaries, had approximately $8.3 billion of total content liabilities as reflected on our consolidated balance sheet. Such amount does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. For more information on our streaming content obligations, including those not on our consolidated balance sheet, see Note 6, Commitments and Contingencies in Item 1 of Part I of our Quarterly

Report on Form 10-Q for the fiscal quarter ended September 30, 2019. Our substantial indebtedness and other obligations, including streaming content obligations, may:

- make it difficult for us to satisfy our financial obligations, including making scheduled principal and interest payments on our Existing Senior Notes, the notes and our other obligations;
- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions or other general business purposes;
- increase our cost of borrowing;
- limit our ability to use our cash flow or obtain additional financing for future working capital, capital expenditures, acquisitions or other general business purposes;
- require us to use a substantial portion of our cash flow from operations to make debt service payments and pay our other obligations when due;
- limit our flexibility to plan for, or react to, changes in our business and industry;
- place us at a competitive disadvantage compared to our less leveraged competitors; and
- increase our vulnerability to the impact of adverse economic and industry conditions.

Despite current indebtedness levels, we may incur substantially more debt and other obligations, including streaming content obligations. This could further exacerbate the risks described herein.

We and our subsidiaries may incur substantial additional indebtedness in the future, including secured indebtedness (including up to $750 million under our Revolving Credit Facility), and we expect to incur other obligations, including additional streaming content obligations. The terms of our Revolving Credit Facility and the indentures for the Existing Senior Notes do not, and the indentures for the notes offered hereby will not, fully prohibit us or our subsidiaries from doing so. If we incur any additional indebtedness or other obligations that rank pari passu with the notes, the holders of that debt or obligee of such other obligations will be entitled to share ratably with you in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us. If we incur any secured indebtedness or other obligations without equally and ratably securing the notes offered hereby (as is permitted in certain circumstances), the holders of any such additional secured indebtedness or other obligations would have payment priority, to the extent of the value of the assets securing such indebtedness (but not the notes) or other obligations, in connection with any insolvency, liquidation, reorganization, dissolution or other winding up of us. These payment priorities may have the effect of reducing the amount of proceeds paid to you. If new debt or additional streaming content obligations are added to our current levels, the related risks that we and our subsidiaries now face could intensify. See “Description of Dollar Notes” and “Description of Euro Notes.”

The indentures governing the notes will contain negative covenants that may have a limited effect.

The indentures governing the notes will contain limited covenants that restrict our ability and the ability of our domestic restricted subsidiaries to create certain liens, enter into certain sale and lease-back transactions and consolidate or merge with or into, or sell substantially all of our assets to, another person and the ability of our domestic restricted subsidiaries to incur or guarantee additional indebtedness. These limited covenants contain exceptions that will allow us and our domestic restricted subsidiaries to incur liens with respect to material assets and additional subsidiary debt. Further, these covenants will not apply to our foreign subsidiaries. See “Description of Dollar Notes—Certain Covenants” and “Description of Euro Notes—Certain Covenants.” In light of these exceptions, holders of the applicable series of notes may be structurally or contractually subordinated to new lenders or other creditors. Additionally, the covenants in the indentures governing the notes will not limit our ability to enter into any arrangements (other than certain sale and leaseback transactions, dispositions, restructurings and similar arrangements) that do not involve indebtedness for money borrowed.

A breach of any of these covenants could result in a default under the applicable indenture governing each series of notes. Further, additional indebtedness that we incur in the future may subject us to other restrictions or covenants. Our failure to comply with these restrictions or covenants could result in a default under the agreements governing the relevant indebtedness. If a default under either indenture that governs the applicable series of notes or any such debt agreement is not cured or waived, the default could result in the acceleration of debt or other payment obligations under our debt or other agreements that contain cross-acceleration, cross-default or similar provisions, including our Revolving Credit Facility and Existing Senior Notes, which could require us to repurchase or pay debt or other obligations prior to the date it is otherwise due and that could prevent us from paying principal, premium, if any, and interest on the relevant series of notes, substantially decreasing the market value of the applicable series of notes and adversely affect our financial condition.

Our ability to comply with covenants contained in the indentures governing the notes, the covenants in the indentures governing our Existing Senior Notes, the covenants contained in our Revolving Credit Facility and any other debt or other agreements to which we may become a party may be affected by events beyond our control, including prevailing economic, financial and industry conditions. Even if we are able to comply with all of the applicable covenants, the restrictions on our ability to manage our business in our sole discretion could adversely affect our business by, among other things, limiting our ability to take advantage of financings, mergers, acquisitions and other corporate opportunities that we believe would be beneficial to us.

Claims of noteholders of either series of notes will be structurally subordinate to claims of creditors of our subsidiaries that do not guarantee such notes.

On the issue date, neither series of notes will be guaranteed by any of our subsidiaries. Accordingly, claims of holders of either series of notes will be structurally subordinated to the claims of creditors of these non-guarantor subsidiaries, including trade creditors. The portion of our business conducted through our subsidiaries, in terms of both contribution to revenue and assets, has increased significantly in recent years, primarily as a result of the growth of our international streaming business and investments in content, and we expect this trend to continue. The applicable indenture governing each series of notes will permit, subject to certain limitations, non-guarantor domestic restricted subsidiaries to incur indebtedness and will not contain any limitations on the amount of certain liabilities (such as trade payables and certain content-related obligations and financing arrangements) that may be incurred by them. The applicable indenture will not restrict the ability of our subsidiaries that are not domestic restricted subsidiaries from incurring additional indebtedness or liabilities. All obligations of our non-guarantor subsidiaries will have to be satisfied before any of the assets of these subsidiaries would be available for distribution, upon a liquidation or otherwise, to us or a guarantor of either series of notes. In the event of the liquidation, dissolution, reorganization, bankruptcy or similar proceeding of the business of a subsidiary that is not a guarantor, creditors of that subsidiary would generally have the right to be paid in full before any distribution is made to us, a guarantor or the holders of either series of notes. In any of these events, the assets of that subsidiary that are available to us may not be sufficient to pay amounts due on the notes. As of September 30, 2019, our subsidiaries had approximately $5.4 billion of outstanding total liabilities, including trade payables and content liabilities but excluding (i) intercompany liabilities and (ii) obligations of a type not required to be reflected on a balance sheet of such subsidiaries, all of which will be structurally senior to the notes. The foregoing presentation of outstanding indebtedness and liabilities does not include streaming content commitments that do not meet the criteria for liability recognition, the amount of which are significant.

The notes of each series and any future guarantees of such notes will be unsecured and effectively subordinated to our and the guarantors' future secured indebtedness to the extent of the collateral securing such indebtedness.

The notes of each series and any guarantees of such notes will be general unsecured obligations ranking effectively junior in right of payment to all of our future secured indebtedness and that of any guarantor. The applicable indenture governing each series of notes will permit us and any guarantors to incur secured indebtedness in the future. In the event that we or a guarantor is declared bankrupt, becomes insolvent or is

liquidated or reorganized, any secured indebtedness that is effectively senior to the notes and the guarantees will be entitled to be paid in full from our assets or the assets of the guarantor, as applicable, securing such indebtedness before any payment may be made with respect to the notes or the affected guarantees. Holders of each series of the notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets.

Holders of notes of either series will not be entitled to registration rights, and we do not intend to register either series of notes under applicable federal and state securities laws. Accordingly, there are restrictions on your ability to transfer or resell the notes without registration under applicable federal and securities laws.

The offer and sale of the notes have not been registered under the Securities Act or any state securities laws. We will not be required to, and do not intend to, register the notes of either series under the Securities Act or any state securities laws. As a result, the notes may only be offered or resold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws and you may be required to bear the risk of your investment for an indefinite period of time. The notes are being offered and sold within the United States only to a limited number of "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and to persons outside the United States under Regulation S, which are described under "Transfer Restrictions." We are also relying on exemptions from the registration and/or prospectus qualification requirements under the laws of other jurisdictions where the notes are being offered and sold and, therefore, the notes may be transferred and resold by purchasers resident in or otherwise subject to the laws of those jurisdictions only in compliance with the laws of those jurisdictions, to the extent applicable. By purchasing either series of notes, you will be deemed to have made certain acknowledgments, representations and agreements set forth under "Transfer Restrictions."

Your ability to transfer the notes may be limited by the absence of an active trading market, and an active trading market may not develop for the notes.

Each series of notes is a new issue of securities for which there is no established trading market. We do not intend to have the dollar notes listed on a national securities exchange or to arrange for quotation on any automated dealer quotation systems. The dollar initial purchasers and the euro initial purchasers have advised us that they intend to make a market in the applicable series of notes, as permitted by applicable laws and regulations; however, neither the dollar initial purchasers nor the euro initial purchasers are obligated to make a market in such notes, and they may discontinue their market-making activities at any time, for any reason or for no reason and without notice. If the dollar initial purchasers or the euro initial purchasers cease to act as market makers for the applicable series of notes, we cannot assure you that another firm or person will make a market in such notes. Therefore, we cannot assure you as to the development or liquidity of any trading market for the notes. Furthermore, although an application has been made to the Authority for the euro notes to be admitted to the Official List and trading on the Exchange, we cannot assure you that the euro notes will become or remain listed. Consummation of the offering of the euro notes is not contingent upon obtaining such listing or admission to trading. Although no assurance is made as to the liquidity of the euro notes as a result of the admission to trading on the Exchange, failure to be approved for listing on or the delisting of the euro notes from, as applicable, the Exchange may have a material effect on a holder's ability to resell the euro notes in the secondary market. The liquidity of any market for the notes will depend on a number of factors, including:

- the number of holders of the applicable series of notes;
- our operating performance and financial condition;
- the market for similar securities;
- the interest of securities dealers in making a market in the applicable series of notes; and
- prevailing interest rates.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for the notes may face similar disruptions that may adversely affect the prices at which you may sell your notes. For instance, an increase in market interest rates may lead potential purchasers of our securities to demand a higher annual yield, which could adversely affect the market price of the notes. Therefore, you may not be able to sell your notes at a particular time and the price that you receive when you sell the notes may not be favorable.

We are under no obligation to maintain the listing of the euro notes in certain circumstances.

We are under no obligation to maintain the listing of the euro notes on the Exchange and may cause the euro notes to be de-listed in circumstances where, among others, the continued listing would require preparation of financial statements in accordance with standards other than those accounting principles generally accepted in the United States or we determine that maintenance of such listing otherwise becomes burdensome. In such cases, we will be obliged to use commercially reasonably efforts to seek an alternative listing for the euro notes on another stock exchange. However, if, among others, such an alternative listing is not available to us or is, in our opinion, unduly burdensome, an alternative listing for the euro notes may not be obtained. See "Description of Euro Notes—Maintenance of Listing." Although no assurance is made as to the liquidity of the euro notes as a result of its listing on the Exchange, delisting the euro notes from the Exchange may have a material effect on the ability of noteholders to resell the euro notes in the secondary market. Consummation of the offering of the euro notes is not contingent upon obtaining such listing or admission to trading.

Any note guarantees of either series of notes provided by subsidiary guarantors may not be enforceable and, under specific circumstances, federal and state statutes may allow courts to void such note guarantees and require holders of the applicable series of notes to return payments received from such subsidiary guarantors.

Under federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee could be deemed a fraudulent transfer if the guarantor received less than a reasonably equivalent value in exchange for giving the guarantee, and one of the following is also true:

- such guarantor was insolvent on the date that it gave the guarantee or became insolvent as a result of giving the guarantee;
- such guarantor was engaged in a business or a transaction, or was about to engage in a business or a transaction, for which property remaining with the guarantor was an unreasonably small capital; or
- such guarantor intended to incur, or believed that it would incur, debts that would be beyond the guarantor's ability to pay as those debts matured.

A guarantee could also be deemed a fraudulent transfer if it was given with actual intent to hinder, delay or defraud any entity to which the guarantor was or became, on or after the date the guarantee was given, indebted. The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding with respect to the foregoing. Generally, however, a guarantor would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, is greater than all its assets, at a fair valuation;
- the present fair saleable value of its assets is less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot predict:

- what standard a court would apply in order to determine whether a guarantor was insolvent as of the date it issued a guarantee, or whether, regardless of the method of valuation, a court would determine that the guarantor was insolvent on that date; or
- whether a court would determine that the payments under a guarantee would constitute fraudulent transfers or fraudulent conveyances on other grounds.

The applicable indenture governing each series of notes will contain a "savings clause" intended to limit each guarantor's liability under its note guarantee to the maximum amount that it could incur without causing the note guarantee to be a fraudulent transfer under applicable law. We cannot assure you that this provision will be upheld as intended. For example, in 2009, the U.S. Bankruptcy Court in the Southern District of Florida in Official Committee of Unsecured Creditors of TOUSA, Inc. v. Citicorp N. Am., Inc. found this kind of provision in that case to be ineffective, and held the guarantees to be fraudulent transfers and voided them in their entirety.

If a note guarantee by a subsidiary guarantor is deemed to be a fraudulent transfer, it could be voided altogether, or it could be subordinated to all other debts of the subsidiary guarantor. In such case, any payment by the subsidiary guarantor pursuant to its note guarantee could be required to be returned to the subsidiary guarantor or to a fund for the benefit of the creditors of the subsidiary guarantor. If a note guarantee is voided or held unenforceable for any other reason, holders of the applicable series of notes would cease to have a claim against the subsidiary guarantor based on the note guarantee and would be creditors only of the issuer and any subsidiary guarantor whose note guarantee was not similarly voided or otherwise held unenforceable.

In addition, enforcement of any of these guarantees against any guarantor will be subject to certain defenses available to guarantors and security providers generally. These laws and defenses include those that relate to fraudulent conveyance or transfer, voidable preference, corporate purpose or benefit, preservation of share capital, thin capitalization and regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, a guarantor may have no liability or decreased liability under its guarantee.

The notes of each series and any future guarantees of such notes will be unsecured and effectively subordinated to our and the guarantors' future secured indebtedness to the extent of the collateral securing such indebtedness.

The notes of each series and any guarantees of such notes will be general unsecured obligations ranking effectively junior in right of payment to all of our future secured indebtedness and that of any guarantor. The applicable indenture governing each series of notes will permit us and any guarantors of such series of notes to incur secured indebtedness in the future. In the event that we or a guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, any secured indebtedness that is effectively senior to the notes and the guarantees will be entitled to be paid in full from our assets or the assets of the guarantor, as applicable, securing such indebtedness before any payment may be made with respect to the notes or the affected guarantees. Holders of each series of notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets.

Upon a change of control triggering event, we may not have the funds necessary to finance the change of control offer required by the applicable indenture governing each series of notes, which would violate the terms of such indenture.

Upon the occurrence of a change of control triggering event (as defined in the respective indentures governing the notes), holders of each series of notes will have the right to require us to purchase all or any part of the applicable series of notes at a price equal to 101% of the principal amount, plus accrued and unpaid interest,

if any, to but excluding the date of purchase as described in "Description of Dollar Notes—Repurchase of Notes upon a Change of Control Triggering Event" and "Description of Euro Notes—Repurchase of Notes upon a Change of Control Triggering Event." Our Revolving Credit Facility and the indentures governing our Existing Senior Notes contain a similar provision and agreements governing indebtedness that we may incur in the future may contain similar provisions or provide that a change of control will be a default that permits the lenders to accelerate the maturity of the borrowings thereunder. We may not have sufficient financial resources available to satisfy all of our obligations under the notes in the event of a change in control. Our failure to purchase the notes as required under the applicable indenture would result in a default under such indenture which could have material adverse consequences for us and the holders of the applicable series of notes. See "Description of Dollar Notes—Repurchase of Dollar Notes upon a Change of Control Triggering Event" and "Description of Euro Notes—Repurchase of Euro Notes upon a Change of Control Triggering Event."

The provision relating to a change of control may make it more difficult for a potential acquirer to obtain control of us. In addition, some important corporate events, such as leveraged recapitalizations, that would increase the level of our debt may not constitute a change of control under the respective indentures.

We cannot assure you that the procedures for book-entry interests to be implemented through Euroclear or Clearstream will be adequate to ensure the timely exercise of your rights under the euro notes.

Unless and until the euro notes in definitive registered form are issued in exchange for the euro global notes, owners of book-entry interests will not be considered owners or holders of the euro notes except in the limited circumstances provided in the indenture governing the euro notes. The common depositary for Euroclear and Clearstream (or its nominee) will be the sole registered holder of the euro global notes representing the euro notes. After payment to the common depositary, we will have no responsibility or liability for the payment of interest, principal, or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear or Clearstream, as applicable, and if you are not a participant in Euroclear or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder under the indenture governing the euro notes. See "Description of Euro Notes—Book-Entry; Delivery and Form."

Unlike the holders of the euro notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents, requests for waivers, or other actions from holders of the euro notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any request actions on a timely basis.

Similarly, upon the occurrence of an event of default under the indenture governing the euro notes, if you own a book-entry interest, you will be restricted to acting through Euroclear or Clearstream. We cannot assure you that the procedures to be implemented through Euroclear or Clearstream will be adequate to ensure the timely exercise of rights under the euro notes. See "Description of Euro Notes—Book-Entry, Form, Denomination and Delivery of Euro Notes."

There may be risks associated with foreign currency judgments.

The indenture governing the euro notes and the euro notes referred to in this offering memorandum will be governed by, and construed in accordance with, the laws of the State of New York. An action based upon an obligation payable in a currency other than U.S. dollars may be brought in courts in the United States. However, courts in the United States have not customarily rendered judgments for money damages denominated in any currency other than U.S. dollars. In addition, it is not clear whether, in granting a judgment, the rate of conversion would be determined with reference to the date of default, the date judgment is rendered, or any other date. The Judiciary Law of the State of New York provides, however, that an action based upon an obligation

payable in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation and converted into U.S. dollars at a rate of exchange prevailing on the date the judgment or decree is entered. In these cases, holders of foreign currency securities would bear the risk of exchange rate fluctuations between the time the amount of judgment is calculated and the time the foreign currency was converted into U.S. dollars and paid to the holders.

You should consult your own financial and legal advisors as to the risks entailed by an investment in the euro notes. The euro notes are not an appropriate investment for investors who are unsophisticated with respect to foreign currency transactions.

Exchange rate risks and exchange controls may adversely impact currency conversions of principal and interest paid on the euro notes.

We will pay principal and interest on the euro notes in euros. This presents certain risks relating to currency conversions if a holder's financial activities are denominated principally in a currency other than euros. These risks include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the holder's currency) and the risk that authorities with jurisdiction over the holder's currency may impose or modify exchange controls. An appreciation in the value of the holder's currency relative to the euro would decrease the holder's currency-equivalent yield on the euro notes, the holder's currency-equivalent value of the principal payable on the euro notes and the holder's currency-equivalent market value of the notes. Governments and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, holders may receive less interest or principal than expected, or no interest or principal.

Withholding pursuant to the Foreign Account Tax Compliance Act may apply to certain payments made with respect to the notes, including as a result of the failure of a holder or a holder's bank or broker to comply with reporting, certification and related requirements.

Under legislation and administrative guidance referred to as the Foreign Account Tax Compliance Act ("FATCA"), a U.S. federal withholding tax of 30% may apply to interest on the notes and, subject to the discussion below, gross proceeds from the disposition of the notes paid to certain non-U.S. entities, including foreign financial institutions, unless the non-U.S. entity complies with the reporting, certification and related requirements under FATCA or an exception otherwise applies. Under proposed regulations, which generally may be relied upon until final regulations are issued, the withholding provisions of FATCA do not apply to payments of gross proceeds from a disposition of the notes. Withholding under FATCA may apply regardless of whether the non-U.S. entity is a beneficial owner or an intermediary. Accordingly, payments made with respect to notes held through a bank or broker could be subject to FATCA withholding if, for example, the bank or broker fails to comply with these requirements, even though the holder itself might not otherwise have been subject to withholding. If a payment made with respect to any of the notes is subject to this withholding tax, no additional amounts will be paid, and the holder of those notes will receive less than the amount provided in the notes to be due and payable. Prospective investors should consult their tax advisors regarding FATCA withholding. For more information, see "Certain U.S. Federal Income Tax Considerations—FATCA."

Transactions in the euro notes could be subject to the European Commission's proposal for a Directive for a common Financial Transactions Tax.

On February 14, 2013, the European Commission adopted a proposal for a directive on a common financial transaction tax (the "FTT") to be implemented under the enhanced cooperation procedure by 11 participating Member States of the European Union (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain). However, Estonia has since stated it will not participate.

The proposed FTT has a very broad scope and, if introduced in its current form, could apply to certain dealings in the euro notes (including secondary market transactions) in certain circumstances, which could

expose the euro note holders to increased transaction costs. Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in euro notes where at least one party is a financial institution and at least one party is established in a participating Member State. A financial institution may be, or may be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. In addition, other Member States may decide to participate. If the proposed directive is adopted as is and implemented in national legislations, holders of the euro notes could be exposed to higher transaction fees.

Prospective holders of euro notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with purchasing, holding and disposing of the euro notes.

Holders of the euro notes may not be able to effect service of process or enforce judgments obtained against us outside of the United States.

We are organized under the laws of the United States. A substantial portion of our assets are located in the United States and, as a result, it may not be possible for investors in the euro notes to effect service of process or enforce judgments obtained against us outside the United States.

USE OF PROCEEDS

We estimate that the net proceeds from this offering, after deducting estimated offering fees and expenses, will be approximately $2.18 billion.

We intend to use the net proceeds from this offering for general corporate purposes, which may include content acquisitions, production and development, capital expenditures, investments, working capital and potential acquisitions and strategic transactions. From time to time we evaluate potential strategic transactions and acquisitions of businesses, technologies or products. Currently, however, we do not have any agreements with respect to any such material strategic transactions or acquisitions.

CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and our capitalization at September 30, 2019:

- on an actual basis, and
- on an as adjusted basis to give effect to the offering of the notes and receipt of net proceeds therefrom as described in "Use of Proceeds".

This table should be read in conjunction with "Use of Proceeds" and our consolidated financial statements and related notes thereto and the other information included in or incorporated by reference into this offering memorandum.

	September 30, 2019	
	Actual	As adjusted
	(in thousands)	
Cash and cash equivalents	$ 4,435,018	$ 6,616,438
Long-term debt[1]		
Revolving Credit Facility[2]	$ —	$ —
4.875% Senior Notes offered hereby[3]	—	1,000,000
3.625% Senior Notes offered hereby[3][4]	—	1,199,220
6.375% Senior Notes	800,000	800,000
4.625% Senior Notes[4]	1,199,220	1,199,220
5.875% Senior Notes	1,900,000	1,900,000
4.875% Senior Notes	1,600,000	1,600,000
3.625% Senior Notes[4]	1,417,260	1,417,260
4.375% Senior Notes	1,000,000	1,000,000
5.50% Senior Notes	700,000	700,000
5.875% Senior Notes	800,000	800,000
5.750% Senior Notes	400,000	400,000
5.375% Senior Notes	500,000	500,000
3.875% Senior Notes[4]	1,308,240	1,308,240
5.375% Senior Notes	900,000	900,000
Total debt	$12,524,720	$14,723,940
Total stockholders' equity	$ 6,861,505	$ 6,861,505
Total capitalization	$19,386,225	$21,585,445

(1) Does not include approximately $8.3 billion of total content liabilities as reflected on our consolidated balance sheet at September 30, 2019. Such total content liabilities do not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. For more information on our streaming content obligations, including those not on our consolidated balance sheet, see Note 6, Commitments and Contingencies in Item 1 of Part I in our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019.

(2) As of September 30, 2019, we had $750 million of available borrowing capacity under our Revolving Credit Facility.

(3) Represents the aggregate principal amount of notes offered hereby.

(4) Debt is denominated in euros with a €1,100 million aggregate principal amount, in the case of the 3.625% Senior Notes, €1,100 million aggregate principal amount, in the case of the 4.625% Senior Notes, €1,300 million aggregate principal amount, in the case of the 3.625% Senior Notes and €1,200 million aggregate principal amount, in the case of the 3.875% Senior Notes, and is remeasured into U.S. dollars at each balance sheet date. The amount in USD above is based on a EUR/USD exchange rate of approximately €1 to $1.0902 as of September 30, 2019.

DESCRIPTION OF DOLLAR NOTES

The terms of the Dollar Notes (as defined below) will include those set forth in the Dollar Notes Indenture (as defined below) and those specifically incorporated by reference to the Trust Indenture Act of 1939, as amended. You should carefully read the summary below and the provisions of the Dollar Notes Indenture that may be important to you before investing in the Dollar Notes. This summary is not complete and is qualified in its entirety by reference to the Dollar Notes Indenture. We urge you to read the Dollar Notes Indenture because the Dollar Notes Indenture, not this description, defines your rights as holders of the Dollar Notes.

Certain terms used in this description are defined under the subheading "—Certain Definitions." In this description, references to "Netflix," "us," "we," "our" or the "Company" refer only to Netflix, Inc. and not to any of its subsidiaries.

General

The $1,000,000,000 4.875% Senior Notes due 2030 (the "Dollar Notes") will be issued under an Indenture to be entered into on October 25, 2019 (the "Dollar Notes Indenture") between the Company and Wells Fargo Bank, National Association, as trustee (as used in this description, the "trustee"). The Dollar Notes will mature on June 15, 2030.

Unless previously redeemed or purchased and cancelled, the Company will repay the Dollar Notes in cash at 100% of their principal amount together with accrued and unpaid interest thereon at maturity. The Company will pay principal of and interest on the Dollar Notes in U.S. dollars.

The Dollar Notes will be the senior unsecured debt obligations of the Company and will rank equally with all of the Company's other present and future senior unsecured Indebtedness, including the Euro Notes (as defined in this offering memorandum under "Description of Euro Notes").

The Dollar Notes will initially not be guaranteed by any of the Company's Subsidiaries.

The Dollar Notes will be redeemable by the Company at any time prior to maturity as described below under "—Optional Redemption." Not later than 60 days following a Change of Control Triggering Event, the Company will be required to make an offer to purchase the Dollar Notes at a price equal to 101% of the principal amount of such Dollar Notes on the date of purchase plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

The Dollar Notes will be issued in registered, book-entry form only without interest coupons in denominations of $2,000 and higher integral multiples of $1,000 in excess thereof.

The Dollar Notes will not be subject to a sinking fund. The Dollar Notes and the Dollar Notes Indenture will be subject to defeasance as described under "—Defeasance."

The Dollar Notes Indenture and the Dollar Notes do not limit the amount of Indebtedness which may be incurred or the amount of securities which may be issued by the Company or its Subsidiaries, and contain no financial covenants or similar restrictions on the Company or its Subsidiaries, in each case, except as described under "—Certain Covenants."

The Dollar Notes will be issued in an aggregate initial principal amount of $1.0 billion, subject to the Company's ability to issue additional Dollar Notes as described under "—Further Issues of Dollar Notes."

If the scheduled maturity date or redemption date for the Dollar Notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day as if made on the date such payment was due, and no interest on such payment shall accrue for the period from and after the scheduled maturity date or redemption date, as the case may be.

Interest

The Dollar Notes will bear interest at a rate of 4.875% per annum. Interest on the Dollar Notes will accrue from October 25, 2019, or from the most recent interest payment date to which interest on the Dollar Notes has been paid or provided for, to, but excluding, the relevant interest payment date or maturity date, as applicable. The Company will make interest payments on the Dollar Notes semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2020, and on the maturity date to the Person in whose name such Dollar Notes are registered at the close of business on the immediately preceding June 1 or December 1, as applicable.

Interest on the Dollar Notes will be computed on the basis of a 360-day year of twelve 30-day months.

If an interest payment date for the Dollar Notes falls on a day that is not a business day, such interest payment shall be postponed to the next succeeding business day as if made on the date such payment was due, and no interest on such payment shall accrue for the period from and after such interest payment date to such next succeeding business day.

Unless the context otherwise requires, all references to interest on the Dollar Notes in this offering memorandum include Additional Interest (as defined below), if any, payable at our election as the sole remedy relating to the failure to comply with our reporting obligations as described under "—Events of Default."

Guarantees

The Dollar Notes will not be guaranteed by any of the Company's Subsidiaries except to the extent the Company elects to cause any such Subsidiary to execute a Guarantee to guarantee the payment of the principal of, premium, if any, and interest on the Dollar Notes in order to comply with the covenants set forth under "—Certain Covenants—Limitation on Subsidiary Debt" pursuant to a Note Guarantee or otherwise.

Claims of creditors of non-guarantor Subsidiaries, including trade creditors and creditors holding debt and guarantees issued by such Subsidiaries, and claims of preferred stockholders (if any) of those subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Company, including holders of the Dollar Notes.

Any Guarantor will be automatically and unconditionally released from all obligations under its Note Guarantee, and such Note Guarantee shall thereupon terminate and be discharged and of no further force and effect,

(1) concurrently with any sale, exchange, disposition or transfer (by merger or otherwise) of (x) any Equity Interests of such Guarantor following which such Guarantor is no longer a Subsidiary of the Company or (y) all or substantially all the properties and assets of such Guarantor to a Person that is not a Subsidiary of the Company;

(2) upon the release or discharge by such Guarantor of all Indebtedness or Guarantee which resulted in the creation of such Note Guarantee (or would have resulted in the creation of a Note Guarantee had such Note Guarantee not already been in existence), so long as immediately after the release of such Note Guarantee, the Company would be in compliance with the covenant described under "—Certain Covenants—Limitation on Subsidiary Debt;"

(3) upon the merger or consolidation of such Guarantor with and into either the Company or any other Guarantor that is the surviving person in such merger or consolidation, or upon the liquidation of such Guarantor following the transfer of all or substantially all of its property and assets to either the Company or another Guarantor; or

(4) upon the exercise by the Company of its legal defeasance or covenant defeasance options, or the discharge of the Company's obligations under the Dollar Notes Indenture and the Dollar Notes, as described under "—Defeasance" and "—Satisfaction and Discharge."

Upon any such occurrence specified above, the trustee shall execute any documents prepared by the Company and reasonably required to acknowledge such release, discharge and termination in respect of such Note Guarantee. Neither the Company nor any Guarantor shall be required to make a notation on the Dollar Notes to reflect any such Note Guarantee or any such release, termination or discharge. The Dollar Notes Indenture provides that the obligations of a Guarantor under its Note Guarantees are limited to the maximum amount as will result in the obligations of such Guarantor under its Note Guarantee not being deemed to constitute a fraudulent conveyance or fraudulent transfer under federal or state law.

Optional Redemption

At any time prior to the Par Call Date (defined below), upon not less than 30 nor more than 60 days' notice to the holders of Dollar Notes, the Company may redeem some or all of such Dollar Notes at a price of 100% of the principal amount of such Dollar Notes redeemed plus the Applicable Premium (defined below), plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

"Applicable Premium" means, with respect to any Dollar Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of such Dollar Note; and

(2) the excess, if any, of (a) the present value at such redemption date of all scheduled payments of interest and principal on such Dollar Note (excluding accrued but unpaid interest, if any, to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over (b) the principal amount of such Dollar Note.

If we elect to redeem any Dollar Notes on or after the Par Call Date, we will pay an amount equal to 100% of the principal amount of the Dollar Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

"Par Call Date" means March 15, 2030 (three months prior to the maturity date of the Dollar Notes).

The Company will prepare and send, or cause to be sent, a notice of redemption to each holder of Dollar Notes to be redeemed at least 30 and not more than 60 calendar days prior to the date fixed for redemption. On and after a redemption date, interest will cease to accrue on the Dollar Notes called for redemption (unless the Company defaults in the payment of the redemption price and accrued interest). On or before a redemption date, the Company will deposit with a paying agent (or the trustee) in respect of such Dollar Notes to be redeemed money sufficient to pay the redemption price of and accrued interest on such Dollar Notes to be redeemed on that date. If less than all of the Dollar Notes are to be redeemed, the Dollar Notes to be redeemed shall be selected by the trustee pro rata or by lot or by a method the trustee deems to be fair and appropriate and, in respect of global notes, in accordance with the procedures of DTC. Any redemption or notice of redemption may, at the Company's discretion, be subject to one or more conditions precedent.

Mandatory Redemption; Offers To Purchase; Open Market Purchases

The Company is not required to make any mandatory redemption or sinking fund payments with respect to the Dollar Notes. However, under certain circumstances, the Company may be required to offer to purchase the Dollar Notes as described under the caption "—Repurchase of Dollar Notes upon a Change of Control Triggering Event." The Company may at any time and from time to time purchase Dollar Notes in the open market or otherwise.

Ranking

Ranking of the Dollar Notes

The Dollar Notes are general unsecured obligations of the Company. As a result, the Dollar Notes rank:

- pari passu in right of payment with all existing and future senior Indebtedness of the Company, including the Euro Notes;

- senior in right of payment to all existing and future Indebtedness of the Company that is by its terms expressly subordinated to the Dollar Notes;
- effectively subordinated to secured Indebtedness of the Company, to the extent of the value of such assets securing such Indebtedness or other obligations; and
- structurally subordinated to any Indebtedness and other liabilities of any Subsidiaries of the Company that are not Guarantors.

Claims of creditors of the Company's Subsidiaries that are not Guarantors, including obligees of streaming content obligations, trade creditors and creditors holding debt or guarantees issued by such Subsidiaries, and claims of any preferred stockholders of such Subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Company, including holders of the Dollar Notes. Accordingly, the Dollar Notes are effectively subordinated to the claims of creditors, including obligees of streaming content obligations, trade creditors and creditors holding debt and guarantees issued by such Subsidiaries, and preferred stockholders, if any, of the Subsidiaries of the Company that are not Guarantors.

The Dollar Notes Indenture does not limit the amount of indebtedness that may be incurred by the Company or its Foreign Subsidiaries. The Dollar Notes Indenture does limit the Company's and its Domestic Restricted Subsidiaries' ability to incur certain kinds of indebtedness secured by Liens and enter into certain sale and leaseback transactions, and the ability of our Domestic Restricted Subsidiaries to incur certain kinds of indebtedness. See "—Certain Covenants."

As of September 30, 2019:

- on a pro forma basis after giving effect to the issuance of the Dollar Notes and the Euro Notes, the Company would have had approximately $14.7 billion of total Indebtedness; and
- the Company's Subsidiaries had approximately $5.4 billion of outstanding total liabilities, including trade payables and content liabilities but excluding (i) intercompany liabilities and (ii) obligations of a type not required to be reflected on a balance sheet of such Subsidiaries, all of which will be structurally senior to the Dollar Notes.

As of September 30, 2019, the Company, together with its Subsidiaries, had approximately $8.3 billion of total content liabilities as reflected on the Company's consolidated balance sheet. Such amount does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. For more information on the streaming content obligations of the Company and its subsidiaries, including those not on the Company's consolidated balance sheet, see Note 6, Commitments and Contingencies in Item 1 of Part I of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019 incorporated by reference herein.

Ranking of the Note Guarantees

Any Guarantor's Note Guarantee will be a general unsecured obligation of such Guarantor. As such, any Guarantor's Note Guarantee will rank:

- pari passu in right of payment with all existing and future senior Indebtedness of such Guarantor, including such Guarantor's guarantee of the Euro Notes;
- senior in right of payment to all existing and future Indebtedness of such Guarantor, if any, that is by its terms expressly subordinated to such Note Guarantees; and
- effectively subordinated to any secured Indebtedness of such Guarantor to the extent of the value of the assets securing such Indebtedness.

Repurchase of Dollar Notes upon a Change of Control Triggering Event

Not later than 60 days following a Change of Control Triggering Event, unless the Company has exercised its right to redeem all of the Dollar Notes as described under "—Optional Redemption," the Company will make an Offer to Purchase all of the outstanding Dollar Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase.

An "Offer to Purchase" with respect to the Dollar Notes must be made by written offer, which will specify the principal amount of Dollar Notes subject to the offer and the purchase price. The offer must specify an expiration date (the "expiration date") not less than 30 days or more than 60 days after the date of the offer and a settlement date for purchase (the "purchase date") not more than five Business Days after the expiration date. The offer will also contain instructions and materials necessary to enable holders to tender their Dollar Notes pursuant to the offer.

A holder of Dollar Notes may tender all or any portion of its Dollar Notes pursuant to an Offer to Purchase, subject to the requirement that any portion of a Dollar Note tendered must be in denominations of $2,000 and integral multiples of $1,000 in excess thereof. Holders are entitled to withdraw Dollar Notes they tendered up to the close of business on the expiration date. On the purchase date, the purchase price will become due and payable on each Dollar Note accepted for purchase pursuant to the Offer to Purchase, and interest on Dollar Notes purchased will cease to accrue on and after the purchase date.

The Company will comply with Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and all other applicable laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

The Company will not be required to make an Offer to Purchase following a Change of Control Triggering Event with respect to the Dollar Notes if (1) a third party makes the Offer to Purchase in the manner, at the times and otherwise in compliance with the requirements set forth in the Dollar Notes Indenture applicable to an Offer to Purchase made by the Company and purchases all such Dollar Notes validly tendered and not withdrawn under such Offer to Purchase or (2) a notice of redemption has been given pursuant to the Dollar Notes Indenture as described above under the caption "—Optional Redemption." Notwithstanding anything to the contrary herein, an Offer to Purchase may be made in advance of a Change of Control Triggering Event, conditional upon the Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of such Offer to Purchase.

Other indebtedness to which the Company or its Subsidiaries are, or may in the future be, subject to prohibitions of events that would constitute a change of control or require that the Company repurchase such debt upon a change of control. If the exercise by the holders of Dollar Notes of their right to require the Company to repurchase the Dollar Notes upon a Change of Control Triggering Event occurred at the same time as a change of control event under one or more of the Company's other debt agreements, the Company's ability to pay cash to the holders of Dollar Notes upon a repurchase may be further limited by the Company's then-existing financial resources. See "Risk Factors—Risks Related to the Notes—Upon a change of control triggering event, we may not have the funds necessary to finance the change of control offer required by the applicable indenture governing each series of notes, which would violate the terms of each such indenture."

The phrase "all or substantially all," as used with respect to the assets of the Company in the definition of "Change of Control," is subject to interpretation under applicable state law, and its applicability in a given instance would depend upon the facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Company has occurred in a particular instance, in which case a holder's ability to obtain the benefit of these provisions could be unclear.

The Change of Control purchase feature of the Dollar Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. The

Change of Control purchase feature is a result of negotiations between the initial purchasers of the Dollar Notes and the Company. After the Issue Date, the Company has no present intention to engage in a transaction involving a Change of Control, although it is possible that it could decide to do so in the future. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control Triggering Event under the Dollar Notes Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure or credit ratings. Restrictions on the Company's ability to incur additional Indebtedness are contained in the covenants described under "—Certain Covenants—Limitation on Subsidiary Debt", "—Certain Covenants—Limitation on Liens" and "—Certain Covenants—Limitation on Sale and Lease-Back Transactions." Such restrictions in the Dollar Notes Indenture can be waived only with the consent of the holders of a majority in principal amount of the Dollar Notes then outstanding. Except for the limitations contained in such covenants, however, the Dollar Notes Indenture will not contain any covenants or provisions that may afford holders of the Dollar Notes protection in the event of a highly leveraged transaction.

The provisions under the Dollar Notes Indenture relating to the Company's obligation to make an offer to repurchase the Dollar Notes as a result of a Change of Control Triggering Event may be waived or modified with the written consent of the holders of a majority in principal amount of the Dollar Notes.

Further Issues of Dollar Notes

The Company may from time to time, without notice to or the consent of the holders of the Dollar Notes, create and issue additional Dollar Notes, ranking equally with such Dollar Notes in all respects (or in all respects other than the payment of interest accruing prior to the issue date of such additional Dollar Notes except for the first payment of interest following the issue date of such additional Dollar Notes); provided that if such additional Dollar Notes are not fungible with the Dollar Notes offered hereby for U.S. federal income tax or other purposes, then such additional Dollar Notes will have a separate CUSIP number. Such additional Dollar Notes will be consolidated and form a single series with the Dollar Notes and have the same terms as to status, redemption or otherwise as such Dollar Notes.

Exchange and Transfer

Holders of Dollar Notes generally will be able to exchange Dollar Notes for other Dollar Notes with the same total principal amount and the same terms.

Holders of Dollar Notes may present Dollar Notes for exchange or for registration of transfer at the office of the security registrar or at the office of any transfer agent designated for that purpose. The security registrar or designated transfer agent in respect of the Dollar Notes will exchange or transfer such Dollar Notes if it is satisfied with the documents of title and identity of the Person making the request; provided that such transfer complies with the restrictions specified in the Dollar Notes Indenture. The Company will not charge a service charge for any exchange or registration of transfer of such Dollar Notes. However, the Company and the security registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable for the registration of transfer or exchange. The Company has initially appointed the trustee as security registrar in respect of the Dollar Notes. At any time the Company may:

- designate additional transfer agents;
- rescind the designation of any transfer agent; or
- approve a change in the office of any transfer agent.

However, the Company is required to maintain a transfer agent in each place of payment for the Dollar Notes at all times.

If the Company elects to redeem the Dollar Notes or makes an Offer to Purchase, neither the Company nor the registrar in respect of the Dollar Notes will be required to:

- issue, register the transfer of or exchange any Dollar Notes during the period beginning at the opening of business 15 calendar days before the day the Company sends the notice of redemption or makes the Offer to Purchase and ending at the close of business on the day the notice is sent or the Offer to Purchase is made;
- register the transfer or exchange of any Dollar Note so selected for redemption or subject to purchase in such Offer to Purchase, except for any portion not to be redeemed or subject to purchase; or
- in the case of a redemption or a purchase date pursuant to an Offer to Purchase occurring after a regular record date but on or before the corresponding interest payment date, register the transfer or exchange of any Dollar Note on or after the regular record date and before the date of the redemption or purchase.

Payment and Paying Agents

Under the Dollar Notes Indenture, the Company will pay interest on the Dollar Notes to the Persons in whose names such Dollar Notes are registered at the close of business on the regular record date for each interest payment. However, the Company will pay the interest payable on such Dollar Notes at their stated maturity to the Persons to whom the Company pays the principal amount of the Dollar Notes, subject to DTC's applicable procedures.

The Company will pay principal, premium, if any, and interest on such Dollar Notes at the offices of the designated paying agents. However, except in the case of a global security, the Company will pay interest by:

- check mailed to the address of the Person entitled to the payment as it appears in the security register; or
- if you are a holder of Dollar Notes with an aggregate principal amount in excess of $5.0 million, by wire transfer in immediately available funds to the place and account within in the United States designated in writing at least fifteen calendar days prior to the interest payment date by the Person entitled to the payment as specified in the security register.

The Company will initially designate the trustee as the sole paying agent for such Dollar Notes. At any time, the Company may designate additional paying agents or rescind the designation of any paying agents. However, the Company is required to maintain a paying agent in each place of payment for such Dollar Notes at all times.

Subject to applicable escheatment laws, any money deposited with the trustee or any paying agent for such Dollar Notes for the payment of principal, premium, if any, and interest on such Dollar Notes that remains unclaimed for two years after the date the payments became due, may be repaid to the Company upon its request. After the Company has been repaid, holders entitled to those payments may only look to the Company for payment as its unsecured general creditors. Neither the trustee nor any paying agent for such Dollar Notes will be liable for those payments after the Company has been repaid.

Certain Covenants

Except as set forth below, neither the Company nor any of its Subsidiaries will be restricted by the Dollar Notes Indenture from:

- incurring any indebtedness or other obligation;
- incurring any Liens;
- entering into any sale and lease-back transactions; or
- disposing of any assets.

In addition, neither the Company nor any of its Subsidiaries will be restricted by the Dollar Notes Indenture from making any investments, including acquisitions, paying dividends or making distributions on the capital stock of the Company or of such Subsidiaries or purchasing or redeeming capital stock of the Company or such Subsidiaries, and the Company will not be required to maintain any financial ratios or specified levels of net worth or liquidity or to repurchase or redeem or otherwise modify the terms of any of the Dollar Notes upon a change of control or other events involving the Company or any of its Subsidiaries which may adversely affect the creditworthiness of the Dollar Notes, except to the limited extent provided under "—Repurchase of Dollar Notes upon a Change of Control Trigger Event." Among other things, the Dollar Notes Indenture will not contain covenants designed to afford holders of the Dollar Notes any protections in the event of a highly leveraged or other transaction involving the Company that may adversely affect holders of the Dollar Notes, except to the limited extent provided below and under "—Repurchase of Dollar Notes upon a Change of Control Trigger Event."

The Dollar Notes Indenture contains covenants including, among others, the following:

Consolidation, Merger and Conveyance, Transfer and Lease of Assets

The Company may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all the properties and assets of the Company and its Subsidiaries (determined on a consolidated basis), taken as a whole, to, any Person, in a single transaction or in a series of related transactions, unless:

- either (a) the Person formed by or surviving any such consolidation or merger is the Company (the Person formed by or surviving a consolidation or merger, the "continuing Person") or (b) the Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all the properties and assets of the Company and its Subsidiaries (determined on a consolidated basis), taken as a whole (the "Successor Company"), is an entity organized under the laws of the United States of America, any State thereof or the District of Columbia;
- if the Company is not the continuing Person, the Successor Company expressly assumes the Company's obligations with respect to the Dollar Notes and the Dollar Notes Indenture pursuant to a supplemental indenture;
- immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time or both, would become an event of default, shall have occurred and be continuing;
- if the Company is not the continuing Person, each Guarantor (unless such Guarantor is the Successor Company or is the subject of a consolidation or merger pursuant to which it is not the Person formed by such consolidation or not the surviving Person in such merger) shall have by supplemental indenture confirmed that its Note Guarantee shall apply to such Person's obligations in respect of the Dollar Notes Indenture and the Dollar Notes; and
- if the Company is not the continuing Person, the Company or the Successor Company has delivered to the trustee the certificates and opinions required under the Dollar Notes Indenture.

In addition, the Company will not permit any Guarantor to merge with or into, or convey, transfer or lease all or substantially all of such Guarantor's properties and assets (determined on a consolidated basis for such Guarantor and its Subsidiaries), taken as a whole, to, any other Person (in each case other than with, into or to (as applicable) the Company or another Guarantor), in a single transaction or in a series of related transactions, unless:

- either (a) the continuing Person is such Guarantor or (b) the Person (if other than such Guarantor) formed by such consolidation or into which such Guarantor is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all the properties and assets (determined on a consolidated basis for such Guarantor and its Subsidiaries), taken as a whole (the "Successor

Guarantor"), is an entity organized under the laws of the United States of America, any State thereof or the District of Columbia;

- if such Guarantor is not the continuing Person, the Successor Guarantor expressly assumes such Guarantor's obligations under its Note Guarantee and the Dollar Notes Indenture pursuant to a supplemental indenture;
- immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time or both, would become an event of default, shall have occurred and be continuing; and
- if such Guarantor is not the continuing Person, the Company delivers, or causes to be delivered, to the trustee the certificates and opinions required under the Dollar Notes Indenture;

provided that the foregoing paragraph shall not apply to a transaction pursuant to which such Guarantor shall be released from its obligations under the Dollar Notes Indenture and the Dollar Notes in accordance with the provisions described under "—Guarantees."

Upon any transaction or series of related transactions to which the foregoing requirements apply and are effected in accordance with such requirements, the Successor Company or Successor Guarantor, as applicable, shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the applicable Guarantor, as applicable, under the Dollar Notes Indenture with the same effect as if such Successor Company or Successor Guarantor, as applicable, had been named as the Company or applicable Guarantor, as applicable, therein; and when a Successor Company or Successor Guarantor, as applicable, duly assumes all of the obligations and covenants of the Company pursuant to the Dollar Notes Indenture and the Dollar Notes, except in the case of a lease, the predecessor Person shall be relieved of all such obligations.

Limitation on Liens

The Company will not, and will not permit any of its Domestic Restricted Subsidiaries, to enter into, create, incur or assume any Lien on any Principal Property, whether now owned or hereafter acquired, in order to secure any Indebtedness, without effectively providing that the Dollar Notes shall be equally and ratably secured until such time as such Indebtedness is no longer secured by such Lien, except:

- Liens existing as of the Issue Date;
- Liens granted after the Issue Date created in favor of the holders of such Dollar Notes;
- Liens created in substitution of, or as replacements for, any Liens described in the preceding two bullet points; provided that based on a good faith determination of one of the Company's Senior Officers, the Principal Property encumbered under any such substitute or replacement Lien is substantially similar in nature to the Principal Property encumbered by the otherwise permitted Lien which is being replaced; and
- Permitted Liens.

Notwithstanding the foregoing, the Company or any Domestic Restricted Subsidiary may, without equally and ratably securing the Dollar Notes, create or incur Liens which would otherwise be subject to the restrictions set forth in the preceding paragraph, if after giving effect thereto, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the date of the creation or incurrence of the Lien. The Company or any Domestic Restricted Subsidiary also may, without equally and ratably securing the Dollar Notes, create or incur Liens that extend, renew, substitute or replace (including successive extensions, renewals, substitutions or replacements), in whole or in part, any Lien permitted pursuant to the preceding sentence.

Limitation on Subsidiary Debt

The Company will not permit any of its Domestic Restricted Subsidiaries to create, assume, incur, Guarantee or otherwise become liable for any Indebtedness (any such Indebtedness or Guarantee, "Subsidiary

Debt"), without Guaranteeing the payment of the principal of, premium, if any, and interest on the Dollar Notes on an unsecured unsubordinated basis until such time as such Subsidiary Debt is no longer outstanding.

The foregoing restriction shall not apply to, and there shall be excluded from Indebtedness in any computation under such restriction, Subsidiary Debt constituting:

(1) Indebtedness of or Guarantee by a Person existing at the time such Person is merged into or consolidated with any Domestic Restricted Subsidiary or otherwise acquired by any Domestic Restricted Subsidiary or at the time of a sale, lease or other disposition of the properties and assets of such Person (or a division thereof) as an entirety or substantially as an entirety to any Domestic Restricted Subsidiary and is assumed by such Subsidiary; provided that such Indebtedness or Guarantee was not incurred in contemplation thereof and is not Guaranteed by any other Domestic Restricted Subsidiary (other than any Guarantee existing at the time of such merger, consolidation or sale, lease or other disposition of properties and assets and that was not issued in contemplation thereof);

(2) Indebtedness or Guarantee of a Person existing at the time such Person becomes a Domestic Restricted Subsidiary; provided that any such Indebtedness or Guarantee was not incurred in contemplation thereof;

(3) Indebtedness owed to or Guarantee in favor of the Company or any Domestic Restricted Subsidiary;

(4) Indebtedness or Guarantees in respect of netting services, business credit card programs, overdraft protection and other treasury, depository and cash management services or incurred in connection with any automated clearing-house transfers of funds or other fund transfer or payment processing services;

(5) Indebtedness or Guarantees arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business, provided that any such Indebtedness or Guarantee is extinguished within five business days within its incurrence;

(6) reimbursement obligations incurred in the ordinary course of business;

(7) advances and deposits received in the ordinary course of business;

(8) Indebtedness or Guarantees incurred (a) in respect of workers' compensation claims, payment obligations in connection with health or other types of social security benefits, unemployment or other insurance obligations, reclamation and statutory obligations, (b) in connection with the financing of insurance premiums or self-insurance obligations or take-or-pay obligations contained in supply agreements, and (c) in respect of guarantees, warranty or contractual service obligations, indemnity, bid, performance, warranty, release, appeal, surety and similar bonds, letters of credit and banker's acceptances for operating purposes or to secure any Indebtedness or Guarantee or other obligations referred to in clauses (1) through (7) or this clause (8), payment (other than for payment of Indebtedness) and completion guarantees, in each case provided or incurred (including Guarantees thereof) in the ordinary course of business;

(9) Indebtedness and Guarantees of a Content Project Subsidiary in connection with (a) Content Acquisition Transactions by such Subsidiary or other Content Acquisition Transactions with respect to Related Projects by one or more Content Project Subsidiaries or (b) Content Disposition Transactions by such Subsidiary or other Content Disposition Transactions with respect to Related Projects by one or more Content Project Subsidiaries; or

(10) Indebtedness or Guarantee outstanding on the date of the Dollar Notes Indenture and any extension, renewal, replacement, refinancing or refunding of any Indebtedness or Guarantee existing on the date of the Dollar Notes Indenture or referred to in clauses (1) and (2); provided that any Indebtedness or Guarantee incurred to so extend, renew, replace, refinance or refund shall be incurred within 360 days of the maturity, retirement or other repayment or prepayment of the Indebtedness or Guarantee referred to in this clause or clauses (1) and (2) above and the principal amount of the Indebtedness incurred or

Guaranteed to so extend, renew, replace, refinance or refund shall not exceed the principal amount of Indebtedness or Guarantee being extended, renewed, replaced, refinanced or refunded plus any premium or fee (including tender premiums) or other reasonable amounts payable, plus the amount of fees, expenses and other costs incurred, in connection with any such extension, renewal, replacement, refinancing or refunding.

Notwithstanding the foregoing, any Domestic Restricted Subsidiary may, create, incur, issue or assume Subsidiary Debt that would otherwise be subject to the restrictions set forth in the first paragraph of this covenant, without Guaranteeing the payment of the principal of, premium, if any, and interest on the Dollar Notes, if after giving effect thereto, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the date of the creation or incurrence of the Subsidiary Debt. Any Domestic Restricted Subsidiary also may, without Guaranteeing the payment of the principal of, premium, if any, and interest on the Dollar Notes, extend, renew, replace, refinance or refund any Subsidiary Debt permitted pursuant to the preceding sentence; provided that any Subsidiary Debt incurred to so extend, renew, replace, refinance or refund shall be incurred within 360 days of the maturity, retirement or other repayment or prepayment of the Subsidiary Debt being extended, renewed, replaced, refinanced or refunded and the principal amount of the Subsidiary Debt incurred to so extend, renew, replace, refinance or refund shall not exceed the principal amount of Subsidiary Debt being extended, renewed, replaced, refinanced or refunded plus any premium or fee (including tender premiums) or other reasonable amounts payable, plus the amount of fees, expenses and other costs incurred, in connection with any such extension, renewal, replacement, refinancing or refunding.

Limitation on Sale and Lease-Back Transactions

The Company will not, and will not permit any of its Domestic Restricted Subsidiaries, to enter into any sale and lease-back transaction for the sale and leasing back of any Principal Property, whether now owned or hereafter acquired, unless:

- such transaction was entered into prior to the Issue Date;
- such transaction was for the sale and leasing back to the Company or a Domestic Restricted Subsidiary of any Principal Property;
- such transaction involves a lease of a Principal Property executed by the time of or within 12 months after the latest of the acquisition, the completion of construction or improvement, or the commencement of commercial operation, of such Principal Property;
- such transaction involves a lease for not more than three years (or which may be terminated by the Company or the applicable Domestic Restricted Subsidiary within a period of not more than three years);
- the Company or the applicable Domestic Restricted Subsidiary would be entitled to incur Indebtedness secured by a mortgage on the property to be leased in an amount equal to Attributable Liens with respect to such sale and lease-back transaction without equally and ratably securing the Dollar Notes pursuant to the first paragraph of "—Limitation on Liens" above; or
- the Company or the applicable Domestic Restricted Subsidiary applies an amount equal to the net proceeds from the sale of the Principal Property to the purchase of other Principal Property or to the retirement, repurchase or other repayment or prepayment of long-term Indebtedness within 365 calendar days before or after the effective date of any such sale and lease-back transaction; provided that in lieu of applying such amount to such retirement, repurchase, repayment or prepayment, the Company or any Domestic Restricted Subsidiary may deliver Dollar Notes to the trustee for cancellation, such Dollar Notes to be credited at the cost thereof to the Company or such Domestic Restricted Subsidiary.

For the avoidance of doubt, any transaction that is required to be accounted for as a sale and lease-back transaction in accordance with GAAP shall not be deemed to be a sale and lease-back transaction subject to the foregoing restrictions unless such transaction involves an actual transfer of Principal Property.

Notwithstanding the foregoing, the Company and its Domestic Restricted Subsidiaries may enter into any sale and lease-back transaction which would otherwise be subject to the foregoing restrictions if after giving effect thereto and at the time of determination, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the closing date of the sale and lease-back transaction.

Provision of Financial Information

The Company will file with the trustee, within 15 days after it has filed the same with the SEC, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may prescribe) that it may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act (other than confidential filings, documents subject to confidential treatment and correspondence with the SEC); provided that the delivery of materials to the trustee by electronic means or filing of documents via the EDGAR system (or any successor electronic filing system) shall be deemed to be filed with the trustee as of the time such documents are filed via EDGAR (or such successor system), it being understood that the trustee shall have no responsibility whatsoever to determine if such filings have been made.

Certain Definitions

As used in this section, the following terms have the meanings set forth below.

"Aggregate Debt" means the sum of the following as of the date of determination: (1) the lesser of (A) the then outstanding aggregate principal amount of the Indebtedness of the Company and its Domestic Restricted Subsidiaries incurred after the Issue Date and secured by Liens not permitted by the first paragraph under "—Certain Covenants—Limitations on Liens" above and (B) the fair market value of the assets subject to the Liens referred to in clause (A), as determined in good faith by the Company's Board of Directors; (2) the then outstanding aggregate principal amount of all consolidated Indebtedness of the Company and its Domestic Restricted Subsidiaries that constitutes Subsidiary Debt incurred after the Issue Date and not permitted by the second paragraph under "—Certain Covenants—Limitation on Subsidiary Debt" above; provided that any such Subsidiary Debt will be excluded from this clause (2) to the extent that such Subsidiary Debt is included in clause (1) or (3) of this definition; and (3) the then existing Attributable Liens of the Company and its Domestic Restricted Subsidiaries' in respect of sale and lease-back transactions entered into after the Issue Date pursuant to the second paragraph of "—Certain Covenants—Limitation on Sale and Lease-Back Transactions" above; provided that any such Attributable Liens will be excluded from this clause (3) to the extent that the Indebtedness relating thereto is included in clause (1) or (2) of this definition. For the avoidance of doubt, in no event will the amount of Indebtedness (including Guarantees of such Indebtedness) be required to be included in the calculation of Aggregate Debt more than once despite the fact that more than one Person is liable with respect to such Indebtedness and despite the fact that such Indebtedness is secured by the assets of more than one Person.

"Attributable Liens" means in connection with a sale and lease-back transaction the lesser of: (1) the fair market value of the assets subject to such transaction, as determined in good faith by the Company's Board of Directors; and (2) the present value (discounted at a rate of 10% per annum compounded monthly) of the obligations of the lessee for rental payments during the shorter of the term of the related lease or the period through the first date on which the Company may terminate the lease.

"Board of Directors" means the Board of Directors of the Company or any committee thereof duly authorized to act on behalf of such Board.

"Business Day" means each day that is not a Legal Holiday.

"Capital Stock" means, with respect to any Person, any and all shares of stock of a corporation, partnership interests or other equivalent interests (however designated, whether voting or non-voting) in such Person's equity, entitling the holder to receive a share of the profits and losses, and a distribution of assets, after liabilities, of such Person.

"Change of Control" means:

(1) the Company becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) that any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), is or has become the "beneficial owner" (as such term is used in Rules 13d-3 and 13d-5 under the Exchange Act) of more than 50% of the Voting Stock of the Company; provided, however, that for purposes of this clause (1) such person or group shall be deemed to have "beneficial ownership" of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time, directly or indirectly; and provided, further, that a transaction will not be deemed to involve a Change of Control under this clause (1) if (a) the Company becomes a direct or indirect wholly owned subsidiary of a holding company, and (b)(i) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction or (ii) immediately following that transaction no "person" or "group" (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company; or

(2) the Company sells, conveys, transfers or leases (either in one transaction or a series of related transactions) all or substantially all assets of the Company and its Subsidiaries taken as a whole to, or merges or consolidates with, a Person (other than the Company or any of its Subsidiaries), other than any such merger or consolidation where the shares of the Company's Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or parent entity thereof immediately after giving effect to such transaction.

"Change of Control Triggering Event" means the occurrence of (1) a Change of Control that is accompanied or followed by a downgrade of the Dollar Notes within the Ratings Decline Period for such Change of Control by each of Moody's and S&P (or, in the event Moody's or S&P or both shall cease rating the Dollar Notes (for reasons outside the control of the Company) and the Company shall select any other nationally recognized rating agency, the equivalent of such ratings by such other nationally recognized rating agency) and (2) the rating of the Dollar Notes on any day during such Ratings Decline Period is below the lower of the rating by such nationally recognized rating agency in effect (a) immediately preceding the first public announcement of the Change of Control (or occurrence thereof if such Change of Control occurs prior to public announcement) and (b) on the Issue Date.

"Comparable Treasury Issue" means the United States Treasury security selected by a Reference Treasury Dealer (as defined below) as having an actual or interpolated maturity comparable to the period from the redemption date to the scheduled final maturity of the Dollar Notes, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the period from the redemption date to the scheduled final maturity of such Dollar Notes.

"Comparable Treasury Price" means, with respect to any redemption date, (1) the arithmetic average, as determined by the Company, of the Reference Treasury Dealer Quotations for such redemption date after excluding the highest and lowest Reference Treasury Dealer Quotations; or (2) if the Company obtains fewer than four Reference Treasury Dealer Quotations, the arithmetic average of all Reference Treasury Dealer Quotations for such redemption date.

"Consolidated EBITDA" means, with respect to any Person for any Measurement Period, the sum of, without duplication, the amounts for such period, taken as a single accounting period, of: (1) Consolidated Net Income; (2) Consolidated Non-cash Charges; (3) Consolidated Interest Expense; (4) Consolidated Income Tax Expense; (5) restructuring expenses and charges; (6) any expenses or charges related to any equity offering, Investment, recapitalization or incurrence of Indebtedness not prohibited under the Dollar Notes Indenture (whether or not successful) or related to the issuance of the Dollar Notes (including, for the avoidance of doubt, the expenses and/or charges related to the offering and sale of the Euro Notes); (7) costs or accruals or reserves incurred in connection with acquisitions after the Issue Date; and (8) any costs or expenses incurred by the Company or any Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Equity Interests).

Consolidated EBITDA shall be calculated after giving effect on a pro forma basis for the applicable Measurement Period to any asset sales or other dispositions or acquisitions, investment, mergers, consolidations and discontinued operations (as determined in accordance with GAAP) by such Person and its Subsidiaries (1) that have occurred during such Measurement Period or at any time subsequent to the last day of such Measurement Period and on or prior to the date of the transaction in respect of which Consolidated EBITDA is being determined and (2) that the Company determines in good faith are outside the ordinary course of business, in each case as if such asset sale or other disposition or acquisition, investment, merger, consolidation or disposed operation occurred on the first day of such Measurement Period. For purposes of this definition, pro forma calculations shall be made in accordance with Article 11 of Regulation S-X under the Securities Act; provided that such pro forma calculations may include operating expense reductions for such period resulting from the transaction which is being given pro forma effect that are reasonably identifiable and factually supportable and have been realized or for which the steps necessary for realization have been taken or have been identified and are reasonably expected to be taken within one year following any such transaction (which operating expense reductions are reasonably expected to be sustainable); provided, further, that, the Company shall not be required to give pro forma effect to any transaction that it does not in good faith deem material. Such pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Company.

"Consolidated Income Tax Expense" means, with respect to any Person for any period, the provision for federal, state, local and foreign income taxes of such Person and its Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP paid or accrued during such period, including any penalties and interest related to such taxes or arising from any tax examinations, to the extent the same were deducted in computing Consolidated Net Income.

"Consolidated Interest Expense" means, with respect to any Person for any period, without duplication, the total net interest expense of such Person and its Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP to the extent deducted in calculating Consolidated Net Income, of such Person and its Subsidiaries, including, without limitation: (1) any amortization of debt discount; (2) the net cost under any Swap Contract in respect of interest rate protection (including any amortization of discounts); (3) the interest portion of any deferred payment obligation; (4) all commissions, discounts and other fees and charges owed with respect to letters of credit, bankers' acceptances, financing activities or similar activities; (5) all accrued interest; (6) the interest component of Finance Lease obligations paid, accrued and/or scheduled to be paid or accrued by such Person and its Subsidiaries during such period determined on a consolidated basis in accordance with GAAP; (7) all capitalized interest of such Person and its Subsidiaries for such period; and (8) the amount of any interest expense attributable to minority equity interests of third parties in any non-wholly owned Subsidiary.

"Consolidated Net Income" means, with respect to any Person, for any period, the consolidated net income (or loss) of such Person and its Subsidiaries for such period as determined in accordance with GAAP, adjusted, to the extent included in calculating such net income, by excluding, without duplication: (1) all extraordinary gains

or losses (net of fees and expense relating to the transaction giving rise thereto), income, expenses or charges; (2) the portion of net income of such Person and its Subsidiaries allocable to minority interest in unconsolidated Persons (*provided*, *however*, that net income of any such unconsolidated Person or Subsidiary shall be included to the extent that cash dividends or distributions have actually been received by such Person); (3) gains or losses in respect of any asset sales outside of the ordinary course of business by such Person or one of its Subsidiaries (net of fees and expenses relating to the transaction giving rise thereto), on an after-tax basis; (4) the net income (loss) from any disposed or discontinued operations or any net gains or losses on disposed or discontinued operations, on an after-tax basis; (5) any gain or loss realized as a result of the cumulative effect of a change in accounting principles; (6) any net after-tax gains or losses attributable to the early extinguishment or conversion of indebtedness, derivative instruments or other long-term liabilities; (7) non-cash gains, losses, income and expenses resulting from the application of fair value accounting to certain derivative instruments as required by Accounting Standards Codification Topic 815 or any related subsequent Accounting Standards Codification Topics; and (8) gains or losses resulting from currency fluctuations.

In addition, to the extent not already included in Consolidated Net Income of such Person and its Subsidiaries, notwithstanding anything to the contrary in the foregoing, Consolidated Net Income shall include the amount of proceeds received from business interruption insurance and reimbursements of any expenses or charges that are covered by indemnification or other reimbursement provisions in connection with any Investment or sale, conveyance, transfer or disposition of assets not prohibited under the Dollar Notes Indenture.

"Consolidated Non-cash Charges" means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of goodwill, other intangibles, deferred financing fees, debt issuance costs, commissions, fees and expenses), impairment charges or asset write-off or write-downs, non-cash compensation expense incurred in connection with the issuance of Equity Interests to any director, officer, employee or consultant of such Person or any Subsidiary, and other non-cash expenses of such Person and its Subsidiaries reducing Consolidated Net Income of such Person and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (excluding any such charges constituting an extraordinary item or loss and excluding any such charges constituting an extraordinary item or loss or any charge which requires an accrual of or a reserve for cash charges for any future period); provided that Consolidated Non-cash Charges shall not include the amortization of content library.

"Consolidated Subsidiaries" means, as of any date of determination and with respect to any Person, those Subsidiaries of that Person whose financial data is, in accordance with GAAP, reflected in that Person's consolidated financial statements.

"Content" means rights to audio/visual content, and any rights in assets related to the acquisition, development, production or licensing of such content, and the products and proceeds thereof.

"Content Acquisition Transaction" means any purchase (which includes the development, production, licensing of Content or other arrangement for the acquisition of Content, including through the acquisition of one or more entities whose primary assets are Content) of any Content by the Company or any Subsidiary.

"Content Project Subsidiary" means a Subsidiary formed for the purpose of purchasing (which includes the development, production or licensing of Content or other arrangement for the acquisition of Content, including through the acquisition of one or more entities whose primary assets are Content) or disposing (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of Content, provided that the assets of such Subsidiary are limited to (A) Content with respect to Related Projects, (B) assets and rights arising from any disposition (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of any such Content, (C) cash and cash equivalents, (D) equity of a Subsidiary that is a Content Project Subsidiary with respect to a Related Project, and (E) other assets and rights related to or reasonably necessary or useful for the purpose of engaging in any such acquisition or disposition of such Content.

"Content Disposition Transaction" means any disposition (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of any Content or any rights or assets related thereto, including any transaction (including a borrowing) for purposes of monetizing receivables or other rights to payment arising from any such disposition.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Disqualified Equity Interests" means, with respect to any Person, Equity Interests of such Person that by their terms (or by terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, the passage of time or otherwise are:

(1) required to be redeemed or redeemable at the option of the holder in whole or in part prior to the stated maturity of the Dollar Notes for consideration other than Qualified Equity Interests; or

(2) convertible at the option of the holder thereof into Disqualified Equity Interests or exchangeable for Indebtedness;

provided, in each case, that (x) only the portion of such Equity Interests which is required to be redeemed, is so convertible or exchangeable or is so redeemable at the option of the holder thereof before such date will be deemed to be Disqualified Equity Interests, (y) Equity Interests will not constitute Disqualified Equity Interests solely because of provisions giving holders thereof the right to require repurchase or redemption upon a "change of control" or "asset sale" occurring prior to the stated maturity of the Dollar Notes, and (z) Equity Interests issued to any plan for the benefit of employees of such Person or its subsidiaries or by any plan to such employees will not constitute Disqualified Equity Interests solely because it may be required to be repurchased by such Person or its subsidiaries in order to satisfy applicable statutory or regulatory obligations.

"Domestic Restricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is organized or existing under the laws of the United States, any state thereof or the District of Columbia, other than any such Subsidiary that is owned (directly or indirectly) by a Foreign Subsidiary of such Person.

"Equity Interests" means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Indebtedness convertible into or exchangeable for equity.

"Finance Lease" means, as applied to any Person, any lease of any property, whether real, personal or mixed, of such Person as lessee is required to be classified and accounted for as a finance lease in accordance with GAAP.

"Foreign Subsidiary" means with respect to any Person, any Subsidiary of such Person other than one that is organized or existing under the laws of the United States, any state thereof or the District of Columbia.

"GAAP" means generally accepted accounting principles in the United States set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect as of the date of determination; provided that, except as otherwise specifically *provided*, all calculations made for purposes of determining compliance with the terms of the provisions of the Dollar Notes Indenture shall utilize GAAP as in effect on the Issue Date.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person; *provided* that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. For the avoidance of doubt, an

agreement or arrangement or series of related agreements or arrangements providing for or in connection with the purchase of assets, securities, services or rights (including, without limitation, a Content Acquisition Transaction) that is entered into in connection with the business of the Company or any Subsidiary (including any consent or acknowledgement of assignment, including any assignment of payment obligations and related obligations, and related waivers) shall not constitute a Guarantee, *provided* payment obligations provided for under such agreements or arrangements are limited to payments for assets, securities, services and rights (including Content) and other ancillary payment obligations customary in such transactions. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantor" means any Subsidiary of the Company that executes a Note Guarantee in respect of the Dollar Notes in accordance with the provisions of the Dollar Notes Indenture.

"Indebtedness" of any specified Person means any obligation for borrowed money. For the avoidance of doubt, Indebtedness with respect to any Person, only includes indebtedness for the repayment of money provided to such Person, and does not include any other kind of indebtedness or obligation notwithstanding that such other indebtedness or obligation may be evidenced by a note, bond, debenture or other similar instrument, may be in the nature of a financing transaction, or may be an obligation that under GAAP is classified as "debt" or another type of liability, whether required to be reflected on the balance sheet of such Person or otherwise. For the further avoidance of doubt, the inclusion of specific obligations in the second paragraph of "—Certain Covenants—Limitation on Subsidiary Debt" shall not create any implication that any such obligations constitute Indebtedness.

"Investment" by any Person means any direct or indirect loan, advance (or other extension of credit) or capital contribution to (by means of any transfer of cash or other property or assets to another Person or any other payments for property or services for the account or use of another Person) another Person, including, without limitation, the following: (1) the purchase or acquisition of any Capital Stock or other evidence of beneficial ownership in another Person; and (2) the purchase, acquisition or Guarantee of the Indebtedness or other liability of another Person.

"Issue Date" means the date of original issuance of the Dollar Notes under the Dollar Notes Indenture.

"Joint Venture" means, with respect to any Person, any partnership, corporation or other entity in which up to and including 50% of the Equity Interests is owned, directly or indirectly, by such Person and/or one or more of its Subsidiaries.

"Legal Holiday" means a Saturday, a Sunday or a day on which commercial banking institutions or the corporate trust office are not required to be open in the State of New York.

"Lien" means any lien, security interest, mortgage, charge or similar encumbrance; provided, however, that in no event shall an operating lease or a nonexclusive license be deemed to constitute a Lien.

"Measurement Period" means, at any date of determination, the most recently completed four fiscal quarters of the Company for which financial statements have been filed with the SEC.

"Moody's" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation and its successors.

"Note Guarantee" means any guarantee in respect of the Dollar Notes that may from time to time be entered into by a Subsidiary of the Company after the Issue Date in accordance with the provisions of the Dollar Notes Indenture.

"Permitted Liens" means:

- Liens on any assets, created solely to secure obligations incurred to finance the refurbishment, improvement or construction (which term includes, for avoidance of doubt, development, creation and

production) of such asset, which obligations are incurred no later than 12 months after completion of such refurbishment, improvement or construction, and all renewals, extensions, refinancings, replacements or refundings of such obligations;

- (a) Liens given to secure the payment of the purchase price or other acquisition, installation or construction (which term includes, for avoidance of doubt, development, creation and production) costs incurred in connection with the acquisition (including acquisition through merger or consolidation) of any Principal Property, including Finance Lease transactions in connection with any such acquisition and including any purchase money Liens, and (b) Liens existing on any Principal Property at the time of acquisition (including acquisition through merger or consolidation) thereof or at the time of acquisition by the Company or any Domestic Restricted Subsidiary of any Person then owning such property whether or not such existing Liens were given to secure the payment of the purchase price of the property to which they attach; provided that with respect to clause (a), the Liens shall be given within 12 months after such acquisition and shall attach solely to the Principal Property acquired or purchased and any improvements then or thereafter placed thereon and any proceeds thereof, accessions thereto and insurance proceeds thereof;
- Liens in favor of the Company or a Domestic Restricted Subsidiary;
- Liens on any Principal Property in favor of the United States of America or any State thereof or any political subdivision thereof to secure progress or other payments or to secure Indebtedness incurred for the purpose of financing the cost of acquiring, constructing or improving such Principal Property;
- Liens imposed by law, such as carriers', warehousemen's and mechanic's Liens and other similar Liens arising in the ordinary course of business, Liens in connection with legal proceedings and Liens arising solely by virtue of any statutory, common law or contractual provision relating to banker's Liens, rights of set-off or similar rights and remedies as to securities accounts, deposit accounts or other funds maintained with a creditor depository institution;
- Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or subject to penalties for non-payment or which are being contested in good faith by appropriate proceedings;
- Liens to secure the performance of bids, trade or commercial contracts, government contracts, purchase, construction, sales and servicing contracts (including utility contracts), leases, statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business, deposits as security for contested taxes, import or customs duties, liabilities to insurance carriers or for the payment of rent, and Liens to secure letters of credit, Guarantees, bonds or other sureties given in connection with the foregoing obligations or in connection with workers' compensation, unemployment insurance or other types of social security or similar laws and regulations; licenses and sublicenses of intellectual property of the Company and its Domestic Restricted Subsidiaries and leases and subleases of property granted to others not in any way interfering in any material respect with the business of the Company and its Subsidiaries;
- Liens upon specific items of inventory or other goods, documents of title and proceeds of any Person securing such Person's obligation in respect of letters of credit or banker's acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;
- Liens on stock, partnership or other equity interests in any Joint Venture of the Company or any of its Domestic Restricted Subsidiaries or in any Domestic Restricted Subsidiary that owns an equity interest in a Joint Venture to secure Indebtedness contributed or advanced solely to that Joint Venture; provided that, in each case, the Indebtedness secured by such Lien is not secured by a Lien on any other property of the Company or any Domestic Restricted Subsidiary;

- Liens and deposits securing netting services, business credit card programs, overdraft protection and other treasury, depository and cash management services or incurred in connection with any automated clearing-house transfers of funds or other fund transfer or payment processing services;
- Liens on, and consisting of, deposits made by the Company to discharge or defease the Dollar Notes and the Dollar Notes Indenture or any other Indebtedness;
- Liens on insurance policies and the proceeds thereof incurred in connection with the financing of insurance premiums;
- easements, rights of way, covenants, restrictions, minor encroachments, protrusions, municipal and zoning and building ordinances and similar charges, encumbrances, title defects or other irregularities, governmental restrictions on the use of property or conduct of business, and other similar charges and encumbrances and Liens in favor of governmental authorities and public utilities, that do not materially interfere with the ordinary course of business of the Company and its Subsidiaries, taken as a whole;
- Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods and Liens deemed to exist in connection with Investments in repurchase agreements;
- Liens on (a) assets of a Content Project Subsidiary in connection with (x) Content Acquisition Transactions by such Subsidiary and other Content Acquisition Transactions with respect to Related Projects by one or more Content Project Subsidiaries, and (y) Content Disposition Transactions by such Subsidiary or other Content Disposition Transactions with respect to Related Projects by one or more Content Project Subsidiaries, and (b) assets of the Company in connection with such transactions, provided, in the case of the Company only, such Liens attach solely to the Content acquired in such transaction, the rights arising as a result of the disposition of such Content or rights therein (including receivables and other rights to payment arising from such transaction), other assets related to such Content or such rights and, in each case, the products and proceeds thereof; or
- any extension, renewal, substitution or replacement (or successive extensions, renewals, substitutions or replacements), in whole or in part, of any Lien referred to in the preceding bullet points, inclusive.

For the avoidance of doubt, the inclusion of specific Liens in the definition of "Permitted Liens" shall not create any implication that the obligations secured by such Liens constitute Indebtedness.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Principal Property" means, with respect to any Person, all of such Person's interests in any kind of property or asset (including the capital stock in and other securities of any other Person), except such as the Board of Directors by resolution determines in good faith (taking into account, among other things, the materiality of such property to the business, financial condition and earnings of the Company and its Consolidated Subsidiaries taken as a whole) not to be material to the business of the Company and its Consolidated Subsidiaries, taken as a whole.

"Qualified Equity Interests" means all Equity Interests of a Person other than Disqualified Equity Interests.

"Rating Agency" means each of S&P and Moody's, or if S&P or Moody's or both shall not make a rating on the Dollar Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for S&P or Moody's, or both, as the case may be.

"Ratings Decline Period" means, with respect to any Change of Control, the period that (1) begins on the earlier of (a) the date of the first public announcement of the occurrence of such Change of Control or of the

intention by the Company or a stockholder of the Company, as applicable, to effect such Change of Control or (b) the occurrence of such Change of Control and (2) ends on the 60th calendar day following consummation of such Change of Control; *provided*, *however*, that such period shall be extended for so long as the rating of the Dollar Notes, as noted by the applicable rating agency, is under publicly announced consideration for downgrade by the applicable rating agency.

"Reference Treasury Dealer" means Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Deutsche Bank Securities Inc., Wells Fargo Securities, LLC and one or two other primary U.S. Government securities dealers selected by the Company, and each of their respective successors. If any of the foregoing shall cease to be a primary U.S. Government securities dealer, the Company will substitute another nationally recognized investment banking firm that is a primary U.S. Government securities dealer.

"Reference Treasury Dealer Quotations" means, on any redemption date, the arithmetic average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by each Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding that redemption date.

"Related Projects" means (i) a specified project or a series of projects (e.g., a television series and subsequent seasons of such series), (ii) a project and any derivative works related to such project, and (iii) a group of projects pursuant to a commercial agreement or other arrangement (including a development, production or licensing agreement or arrangement) that provides for or includes such group of projects (e.g., a "slate").

"S&P" means S&P Global Ratings (a division of S&P Global Inc.) or any successor to the rating agency business thereof.

"Senior Officer" of any specified Person means the chief executive officer, any president, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the secretary or any assistant secretary.

"Significant Subsidiary" means any Subsidiary that is a "significant subsidiary" of the Company as defined under clauses (1) or (2) of Rule 1-02(w) of Regulation S-X under the Exchange Act.

"Subsidiary" of a Person means a corporation, partnership, limited liability company or other similar entity a majority of whose Voting Stock is owned by such Person or a Subsidiary of such Person. Unless otherwise indicated, the term "Subsidiary" refers to a Subsidiary of the Company.

"Swap Contract" means (1) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including, without limitation, any fuel price caps and fuel price collar or floor agreements and similar agreements or arrangements designed to protect against or manage fluctuations in fuel prices and any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (2) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third business day immediately preceding that redemption date)

of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

"Voting Stock" of a Person means all classes of capital stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Events of Default

Each of the following will be an event of default under the Dollar Notes Indenture for the Dollar Notes:

- failure by the Company to pay principal or premium, if any, on any Dollar Note when due at maturity, upon redemption or otherwise (including the failure to pay the repurchase price for such Dollar Notes tendered pursuant to an Offer to Purchase);
- failure by the Company to pay any interest (including Additional Interest) on any Dollar Note for 30 calendar days after the interest becomes due;
- failure by the Company to comply with the notice provisions in connection with a Change of Control Triggering Event for 30 calendar days;
- failure by the Company or any of its Subsidiaries to perform, or breach by the Company or any of its Subsidiaries of, any other covenant, agreement or condition in the Dollar Notes Indenture for 90 calendar days after either the trustee or holders of at least 25% in principal amount of the outstanding Dollar Notes have given the Company written notice of the breach in the manner required by the Dollar Notes Indenture;
- except as permitted in the Dollar Notes Indenture, any Note Guarantee of any Significant Subsidiary shall for any reason cease to be, or it shall be asserted by any Guarantor or the Company not to be, in full force and effect and enforceable in accordance with its terms; and
- specified events involving bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary of the Company.

If an event of default occurs and is continuing (other than an event of default described in the last bullet point above with respect to the Company or any Guarantor that is a Significant Subsidiary), either the trustee or the holders of at least 25% in principal amount of the outstanding Dollar Notes may declare the principal amount plus accrued and unpaid interest of all the Dollar Notes due and immediately payable. In order to declare the principal amount and accrued and unpaid interest due and immediately payable, the trustee or such holders must deliver a notice that satisfies the requirements of the Dollar Notes Indenture. Upon a declaration by the trustee or such holders, the Company will be obligated to pay the principal amount plus accrued and unpaid interest so declared due and payable.

If an event of default described in the last bullet point above occurs and is continuing with respect to the Company, then the entire principal amount plus accrued and unpaid interest of the outstanding Dollar Notes will automatically become due immediately and payable without any declaration or other act on the part of the trustee or any holder of Dollar Notes.

Notwithstanding the foregoing, if the Company so elects, the sole remedy of the holders of Dollar Notes for a failure to comply with any obligations the Company may have or is deemed to have pursuant to Section 314(a)(1) of the Trust Indenture Act or to its failure to comply with the covenant described in "—Provision of Financial Information," will for the first 180 days after the occurrence of such failure consist exclusively of the right to receive additional interest on the Dollar Notes at a rate per annum equal to 0.25% for the first 180 days after the occurrence of such failure ("Additional Interest"). The Additional Interest will accrue on all outstanding Dollar Notes from and including the date on which such failure first occurs until such violation

is cured or waived and shall be payable on each interest payment date to holders of record on the regular record date immediately preceding the interest payment date. On the 181st day after such failure (if such violation is not cured or waived prior to such 181st day), such failure will then constitute an event of default without any further notice or lapse of time and the Dollar Notes will be subject to acceleration as provided above. Unless and until a responsible officer of the trustee receives at the corporate trust office an officers' certificate stating Additional Interest is due, the trustee may assume without inquiry that no such Additional Interest is payable. The trustee shall not at any time be under any duty or responsibility to any holder of Dollar Notes to determine whether any Additional Interest is payable, or with respect to the nature, extent or calculation of any taxes or the amount of any Additional Interest are owed, or with respect to the method employed in such calculation of any Additional Interest.

However, after any declaration of acceleration of the Dollar Notes or any automatic acceleration under the last bullet point above, but before a judgment or decree for payment has been obtained, the holders of a majority in principal amount of outstanding Dollar Notes may rescind this accelerated payment requirement if all existing events of default, except for nonpayment of the principal and interest on the Dollar Notes that has become due solely as a result of the accelerated payment requirement, have been cured or waived and if the rescission of acceleration would not conflict with any judgment or decree. The holders of a majority in principal amount of the outstanding Dollar Notes also have the right to waive past defaults, except a default in paying principal, premiums, if any, or interest on any outstanding Dollar Note, or in respect of a covenant or provision that cannot be modified or amended without the consent of all holders of the Dollar Notes.

If an event of default occurs and is continuing, the trustee will generally have no obligation to exercise any of its rights or powers under the Dollar Notes Indenture at the request or direction of any of the holders of the Dollar Notes, unless such holders offer indemnity to the trustee satisfactory to it against cost, loss, liability or expense. The holders of a majority in principal amount of the outstanding Dollar Notes will generally have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee for the Dollar Notes, *provided* that:

- the direction is not in conflict with any law or the Dollar Notes Indenture;
- the trustee may take any other action it deems proper which is not inconsistent with the direction; and
- the trustee will generally have the right to decline to follow the direction if an officer of the trustee determines, in good faith, that the proceeding would involve the trustee in personal liability or would otherwise be contrary to applicable law or would be unduly prejudicial to the rights of any other holder of a Dollar Note (it being understood that the trustee shall not have an affirmative duty to ascertain whether or not any such direction is unduly prejudicial to any other holder of a Dollar Note).

A holder of any Dollar Note may only pursue a remedy under the Dollar Notes Indenture if:

- such holder gives the trustee written notice of a continuing event of default;
- holders of at least 25% in principal amount of the outstanding Dollar Notes make a written request to the trustee to institute proceedings with respect to the event of default;
- such holders offer indemnity satisfactory to the trustee against cost, loss, liability or expense;
- such trustee fails to pursue that remedy within 60 calendar days after receipt of the notice, request and offer of indemnity; and
- during that 60 calendar day period, the holders of a majority in principal amount of the Dollar Notes do not give the trustee a direction inconsistent with the request.

However, these limitations do not apply to a suit by a holder of a Dollar Note demanding payment of the principal, premium, if any, or interest on a Dollar Note on or after the date the payment is due.

The Company will be required to furnish to the trustee annually a statement by certain officers of the Company regarding the Company's performance or observance of any of the terms of the Dollar Notes Indenture and specifying all known defaults, if any, and what actions have been taken to cure such default.

Modification and Waiver

The Company may enter into one or more supplemental indentures with the trustee without the consent of each of the holders of the Dollar Notes in order to:

- evidence the succession of another corporation to the Company or successive successions and the assumption of the covenants, agreements and obligations of the Company by a successor;
- add to the covenants of the Company for the benefit of the holders of the Dollar Notes or to surrender any of its rights or powers;
- add events of default for the benefit of holders of the Dollar Notes;
- add to, change or eliminate any provision of the Dollar Notes Indenture applying to the Dollar Notes; provided that the Company deems such action necessary or advisable and that such action does not adversely affect the interests of any holder of the Dollar Notes;
- evidence and provide for a successor trustee or to add to or change any provisions to the extent necessary to appoint a separate trustee for the Dollar Notes;
- cure any ambiguity, defect or inconsistency under the Dollar Notes Indenture, or to make other provisions with respect to matters or questions arising under the Dollar Notes Indenture as evidenced by an officer's certificate;
- supplement any provisions of the Dollar Notes Indenture necessary to defease and discharge the Dollar Notes or the Dollar Notes Indenture otherwise in accordance with the defeasance or discharge provisions, as the case may be, of the Dollar Notes Indenture; provided that such action does not adversely affect the interests of the holders of any Dollar Notes in any material respect;
- add to, change or eliminate any provisions of the Dollar Notes Indenture in accordance with the Trust Indenture Act of 1939 or to comply with the provisions of DTC, Euroclear or Clearstream or the trustee with respect to provisions of the Dollar Notes Indenture or the Dollar Notes relating to transfers or exchanges of Dollar Notes or beneficial interests in the Dollar Notes;
- provide collateral security for the Dollar Notes;
- provide for additional Guarantors in accordance with "—Guarantees" or "—Certain Covenants—Limitation on Subsidiary Debt" above or to release a Guarantor in accordance with "—Guarantees" above;
- provide for the issuance of additional Dollar Notes ranking equally with the Dollar Notes in all respects (other than the payment of interest accruing prior to the issue date of such additional Dollar Notes or except for the first payment of interest following the issue date of such additional Dollar Notes); or
- conform any provision of the Dollar Notes Indenture to this "Description of Dollar Notes," as evidenced in an officers' certificate.

When authorized by resolution of the Company's Board of Directors, the Company may enter into one or more supplemental indentures with the trustee in order to add to, change or eliminate provisions of the Dollar Notes Indenture or to modify the rights of the holders of the Dollar Notes if the Company obtains the consent of the holders of a majority in principal amount of the outstanding Dollar Notes affected by the supplemental indenture. However, without the consent of the holders of each outstanding Dollar Note affected by the supplemental indenture, the Company may not enter into a supplemental indenture that:

- reduces the rates of or changes the time for payment of interest on any Dollar Notes;

- reduces the principal amount of, or changes the stated maturity of, any Dollar Notes;
- reduces the redemption price, including upon a Change of Control Triggering Event of any Dollar Notes, or amends or modifies in any manner adverse to the holders thereof the Company's obligation to make such payments;
- changes the currency of payment of principal, premium, if any, or interest on the Dollar Notes;
- reduces the quorum requirements under the Dollar Notes Indenture;
- reduces the percentage in principal amount of outstanding Dollar Notes, the consent of whose holders is required for modification of the Dollar Notes Indenture, for waiver of compliance with certain provisions of the Dollar Notes Indenture, for waiver of certain defaults or consent to take any action;
- adversely affects the ranking of the Dollar Notes;
- waives any default in the payment of principal, premium, if any, or interest on the Dollar Notes; or
- impairs the right to institute suit for the enforcement of any payment on the Dollar Notes.

Defeasance

When the Company uses the term "defeasance", the Company means discharge from some or all of its obligations under the Dollar Notes Indenture and the Dollar Notes. If the Company irrevocably deposits with the trustee funds or government securities sufficient in the opinion of an internationally recognized firm of independent public accountants, to make payments of all principal, premium, if any, and interest on the Dollar Notes on the dates those payments are due and payable and complies with all other conditions to defeasance set forth in the Dollar Notes Indenture, then, at the Company's option, either of the following will occur:

- the Company will be discharged from its obligations with respect to such Dollar Notes and, except as provided below, the Dollar Notes Indenture, which is referred to in this offering memorandum as "legal defeasance"; or
- the Company will no longer have any obligation to comply with the restrictive covenants under the Dollar Notes Indenture and such Dollar Notes (including the covenants described under "—Certain Covenants" and "—Repurchase of Dollar Notes upon a Change of Control Triggering Event"), and the related events of default will no longer apply to the Company, but some of the Company's other obligations under the Dollar Notes Indenture and such Dollar Notes, including the obligation to make payments on those Dollar Notes, will survive, which are collectively referred to in this offering memorandum as "covenant defeasance";

provided that no default with respect to the outstanding Dollar Notes has occurred and is continuing at the time of such deposit after giving effect to the deposit.

If the Company legally defeases the Dollar Notes and the Dollar Notes Indenture, the holders of the Dollar Notes affected will not be entitled to the benefits of the Dollar Notes Indenture, except for:

- the rights of holders to receive principal, premium, if any, interest and the redemption price on the Dollar Notes when due;
- the Company's obligation to register the transfer or exchange of Dollar Notes; and
- the Company's obligation to replace mutilated, destroyed, lost or stolen Dollar Notes.

The Company may legally defease the Dollar Notes and the Dollar Notes Indenture notwithstanding any prior exercise by the Company of its option of covenant defeasance.

Unless the Dollar Notes have become due and payable or will become due and payable at maturity or upon redemption within one year and, in the case of redemption, the Company has entered into arrangements

reasonably satisfactory to the trustee for the giving of notice of redemption, the Company will be required to deliver to the trustee an opinion of counsel that the deposit and related defeasance would not cause the holders of the Dollar Notes to recognize gain or loss for federal income tax purposes and that such holders would be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the deposit and related defeasance had not occurred. If the Company elects legal defeasance, that opinion of counsel must be based upon a ruling from the United States Internal Revenue Service or a change in law to that effect.

Satisfaction and Discharge

The Company may discharge its obligations under the Dollar Notes Indenture and the Dollar Notes while Dollar Notes remain outstanding if (1) all outstanding Dollar Notes issued under such Dollar Notes Indenture have become due and payable, (2) all outstanding Dollar Notes issued under such Dollar Notes Indenture have or will become due and payable at their stated maturity within one year or (3) all outstanding Dollar Notes issued under such Dollar Notes Indenture are subject to redemption within one year (and the Company has entered into arrangements reasonably satisfactory to the trustee for the giving of notice of redemption), and in each case, the Company has irrevocably deposited with the trustee cash in an amount sufficient to pay and discharge all outstanding Dollar Notes issued under such Dollar Notes Indenture on the date of their scheduled maturity or the scheduled date of the redemption, paid all other amounts payable under such Dollar Notes Indenture and delivered to the trustee all certificates and opinions required by such Dollar Notes Indenture.

Book-Entry, Form, Denomination and Delivery of Dollar Notes

General

Dollar Notes sold within the United States to "qualified institutional buyers" in reliance upon Rule 144A under the Securities Act will be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Rule 144A Dollar Global Notes"). Upon issuance, each of the Rule 144A Dollar Global Notes will be deposited with the trustee as custodian for The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC.

Dollar Notes sold outside the United States in reliance on Regulation S under the Securities Act will be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Regulation S Dollar Global Notes" and, together with the Rule 144A Dollar Global Notes, the "Dollar Global Notes"). Upon issuance, each of the Rule Regulation S Dollar Global Notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

The Dollar Notes will be initially issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

Dollar Global Notes

Dollar Notes will be initially issued in the form of one or more Dollar Global Notes. Upon issuance, each of the Dollar Global Notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in the Rule 144A Dollar Global Notes (the "Restricted Dollar Book-Entry Interests") will be limited to persons who have accounts with DTC ("DTC participants") or persons who hold interests through DTC participants (including Euroclear and Clearstream). Ownership of beneficial interests in the Regulation S Dollar Global Notes (the "Regulation S Dollar Book-Entry Interests" and, together with the Restricted Dollar Book-Entry Interests, the "Dollar Book-Entry Interests") (1) initially will be limited to persons who have accounts with Euroclear or Clearstream ("Euroclear or Clearstream participants") or persons who hold

interests through Euroclear or Clearstream participants and (2) after the expiration of the 40-day distribution compliance period within the meaning of Rule 903 of Regulation S (but not earlier), will also be permitted to be held by DTC participants or persons who hold interests through DTC participants other than Euroclear and Clearstream. We expect that under procedures established by DTC:

- upon deposit of a Dollar Global Note with DTC's custodian, DTC will credit portions of the principal amount of the Dollar Global Note to the accounts of the DTC participants designated by the initial purchasers of the Dollar Notes; and
- Dollar Book-Entry Interests will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Dollar Global Note).

Dollar Book-Entry Interests may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

The Dollar Global Notes and Dollar Book-Entry Interests will be subject to the applicable procedures of DTC and restrictions on transfer as described under "Transfer Restrictions."

Book-Entry Procedures for the Dollar Global Notes

All Dollar Book-Entry Interests will be subject to the operations and procedures of DTC. We provide the following summary of those operations and procedures solely for the convenience of investors. The operations and procedures of DTC are controlled by that settlement system and may be changed at any time. None of us, the initial purchasers, the trustee or any agent is responsible for those operations or procedures.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the initial purchasers; banks and trust companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Dollar Global Note, that nominee will be considered the sole owner or holder of the notes represented by that Dollar Global Note for all purposes under the Dollar Notes Indenture. Except as provided below, owners of beneficial interests in a Dollar Global Note:

- will not be entitled to have notes represented by the Dollar Global Note registered in their names;
- will not receive or be entitled to receive Dollar Notes in physical, certificated form; and

- will not be considered the owners or holders of the Dollar Notes under the Dollar Notes Indenture for any purpose, including with respect to notices or the giving of any direction, instruction or approval to the trustee under the Dollar Notes Indenture.

As a result, each investor who owns a Dollar Book-Entry Interest must rely on the procedures of DTC to exercise any rights of a holder of Dollar Notes under the Dollar Notes Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal and interest with respect to the Dollar Global Notes will be made to DTC's nominee as the registered holder of the Dollar Global Note. None of us, the trustee or the paying agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Dollar Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of Dollar Book-Entry Interests will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds.

Certificated Dollar Notes

Dollar Notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only if:

- DTC notifies us at any time that it is unwilling or unable to continue as depositary for the Dollar Global Notes and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or
- an event of default with respect to the Dollar Notes has occurred and is continuing and such beneficial owner requests that its beneficial interest in a Dollar Global Note be exchanged for Dollar Notes in physical, certificated form.

Transfers

Transfers of beneficial interests in the Dollar Global Notes will be subject to the applicable rules and procedures of DTC and its respective direct or indirect participants, which rules and procedures may change from time to time.

Unless not required by the Dollar Notes Indenture or applicable law, the Dollar Global Notes will bear a legend to the effect set forth in "Transfer Restrictions" and Dollar Book-Entry Interests in the Dollar Global Notes will be subject to the restrictions on transfers as discussed in "Transfer Restrictions."

Dollar Book-Entry Interests may be transferred only upon delivery by the transferor of a certification to the effect that such transfer is being made in accordance with the restrictions on transfers described in "Transfer Restrictions."

In connection with transfers involving an exchange of a Regulation S Dollar Book-Entry Interest for a Restricted Dollar Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal

amount of the Regulation S Dollar Global Note and a corresponding increase in the principal amount of the Rule 144A Dollar Global Note and in connection with transfers involving an exchange of a Restricted Dollar Book-Entry Interest for a Regulation S Dollar Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Rule 144A Dollar Global Note and a corresponding increase in the principal amount of the Regulation S Dollar Global Note.

Any Dollar Book-Entry Interest in one of the Dollar Global Notes that is transferred to a person who takes delivery in the form of a Dollar Book-Entry Interest in any other Dollar Global Note will, upon transfer, cease to be a Dollar Book-Entry Interest in the first mentioned Dollar Global Note and become a Dollar Book-Entry Interest in such other Dollar Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Dollar Book-Entry Interests in such other Dollar Global Note for as long as it remains such a Dollar Book-Entry Interest.

Same Day Settlement and Payment

The Dollar Notes Indenture will require that payments in respect of the Dollar Notes represented by the Dollar Global Notes be made by wire transfer of immediately available funds to the accounts specified by holders of the Dollar Global Notes. With respect to Dollar Notes in certificated form, the Company will make all payments by:

- check mailed to the address of the Person entitled to the payment as it appears in the security register; or
- if you are a holder of Dollar Notes with an aggregate principal amount in excess of $5.0 million, by wire transfer in immediately available funds to the place and account designated in writing at least fifteen calendar days prior to the interest payment date by the Person entitled to the payment as specified in the security register.

The Dollar Notes represented by the Dollar Global Note are expected to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Dollar Notes will, therefore, be required by DTC to be settled in immediately available funds. The Company expects that secondary trading in any Dollar Notes in certificated form will also be settled in immediately available funds.

Because of time-zone differences, credits of interests in the Dollar Global Notes received in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the Business Day following the DTC settlement date. Such credits or any transactions involving interests in such Dollar Global Notes settled during such processing will be reported to the relevant Clearstream or Euroclear participants on such Business Day. Cash received in Clearstream or Euroclear as a result of sales of interests in the Dollar Global Notes by or through a Clearstream participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the Business Day following settlement in DTC.

Notices

Holders of Dollar Notes will receive notices at their addresses as they appear in the security register or in accordance with DTC's applicable procedures.

Title

The Company may treat the Person in whose name a Dollar Note is registered on the applicable record date as the owner of the Dollar Note for all purposes, whether or not it is overdue.

Governing Law

New York law will govern the Dollar Notes Indenture and the Dollar Notes, without regard to conflicts of law principles thereof.

Regarding the Trustee

Wells Fargo Bank, National Association will act as trustee under the Dollar Notes Indenture. The Company maintains various commercial and service relationships with the trustee and its affiliates in the ordinary course of business. In particular, affiliates of the trustee provide services to the Company and its affiliates.

If an event of default occurs under the Dollar Notes Indenture and is continuing, the trustee will be required to use the degree of care and skill of a prudent Person under the circumstances in the conduct of that Person's own affairs. The trustee will become obligated to exercise any of its powers under the Dollar Notes Indenture at the request of any of the holders of the Dollar Notes only after those holders have offered the trustee indemnity satisfactory to it.

If the trustee becomes a creditor of the Company, the trustee's rights to obtain payment of claims in specified circumstances or to realize for its own account on certain property received in respect of any such claim as security or otherwise will be limited under the terms of the Dollar Notes Indenture. The trustee may engage in certain other transactions; however, if the trustee acquires any conflicting interest (within the meaning specified under the Trust Indenture Act), it will be required to eliminate the conflict or resign.

DESCRIPTION OF EURO NOTES

The terms of the Euro Notes (as defined below) will include those set forth in the Euro Notes Indenture (as defined below) governing the Euro Notes and those specifically incorporated by reference to the Trust Indenture Act of 1939, as amended. You should carefully read the summary below and the provisions of the Euro Notes Indenture that may be important to you before investing in the Euro Notes. This summary is not complete and is qualified in its entirety by reference to the Euro Notes Indenture. We urge you to read the Euro Notes Indenture because such Indenture, not this description, defines your rights as holders of the Euro Notes.

Certain terms used in this description are defined under the subheading "—Certain Definitions." In this description, references to "Netflix," "us," "we," "our" or the "Company" refer only to Netflix, Inc. and not to any of its subsidiaries.

General

The €1,100,000,000 3.625% Senior Notes due 2030 (the "Euro Notes") will be issued under an Indenture to be entered into on October 25, 2019 (the "Euro Notes Indenture") between the Company and Wells Fargo Bank, National Association, as trustee (as used in this description, the "trustee"). The Euro Notes will mature on June 15, 2030.

Unless previously redeemed or purchased and cancelled, the Company will repay the Euro Notes in cash at 100% of their principal amount together with accrued and unpaid interest thereon at maturity. The Company will pay principal of and interest on the Euro Notes in euros.

Application will be made to the Authority for the Euro Notes to be admitted to the Official List and trading on the Exchange. The Company can provide no assurance that this application will be granted. Consummation of the offering of the Euro Notes is not contingent upon obtaining such listing. At this time, an initial application has been made to the Exchange for a preliminary review of the suitability of the Euro Notes for listing under chapters 5-7 of the listing rules.

The Euro Notes will be the senior unsecured debt obligations of the Company and will rank equally with all of the Company's other present and future senior unsecured Indebtedness, including the Dollar Notes (as defined in this offering memorandum under "Description of Dollar Notes").

The Euro Notes will initially not be guaranteed by any of the Company's Subsidiaries.

The Euro Notes will be redeemable by the Company at any time prior to maturity as described below under "—Optional Redemption." Not later than 60 days following a Change of Control Triggering Event, the Company will be required to make an offer to purchase the Euro Notes at a price equal to 101% of the principal amount of such Euro Notes on the date of purchase plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

The Euro Notes will be issued in registered, book-entry form only without interest coupons in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Euro Notes will not be subject to a sinking fund. The Euro Notes and the Euro Notes Indenture will be subject to defeasance as described under "—Defeasance."

The Euro Notes Indenture and the Euro Notes do not limit the amount of Indebtedness which may be incurred or the amount of securities which may be issued by the Company or its Subsidiaries, and contain no financial covenants or similar restrictions on the Company or its Subsidiaries, in each case except as described under "—Certain Covenants."

The Euro Notes will be issued in an aggregate initial principal amount of €1.1 billion, subject to the Company's ability to issue additional Euro Notes as described under "—Further Issues of Euro Notes."

If the scheduled maturity date or redemption date for the Euro Notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day as if made on the date such payment was due, and no interest on such payment shall accrue for the period from and after the scheduled maturity date or redemption date, as the case may be.

Interest

The Euro Notes will bear interest at a rate of 3.625% per annum. Interest on the Euro Notes will accrue from October 25, 2019, or from the most recent interest payment date to which interest on the Euro Notes has been paid or provided for, to, but excluding, the relevant interest payment date or maturity date, as applicable. The Company will make interest payments on the Euro Notes semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2020, and on the maturity date to the Person in whose name such Euro Notes are registered at the close of business on the immediately preceding June 1 or December 1, as applicable.

Interest on the Euro Notes will be computed on the basis of a 360-day year of twelve 30-day months.

If an interest payment date for the Euro Notes falls on a day that is not a business day, such interest payment shall be postponed to the next succeeding business day as if made on the date such payment was due, and no interest on such payment shall accrue for the period from and after such interest payment date to such next succeeding business day.

Unless the context otherwise requires, all references to interest on the Euro Notes in this offering memorandum include Additional Interest (as defined below), if any, payable at our election as the sole remedy relating to the failure to comply with our reporting obligations as described under "—Events of Default."

Guarantees

The Euro Notes will not be guaranteed by any of the Company's Subsidiaries except to the extent the Company elects to cause any such Subsidiary to execute a Guarantee to guarantee the payment of the principal of, premium, if any, and interest on the Euro Notes in order to comply with the covenants set forth under "—Certain Covenants—Limitation on Subsidiary Debt" pursuant to a Note Guarantee or otherwise.

Claims of creditors of non-guarantor Subsidiaries, including trade creditors and creditors holding debt and guarantees issued by such Subsidiaries, and claims of preferred stockholders (if any) of those subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Company, including holders of the Euro Notes.

Any Guarantor will be automatically and unconditionally released from all obligations under its Note Guarantee, and such Note Guarantee shall thereupon terminate and be discharged and of no further force and effect,

(1) concurrently with any sale, exchange, disposition or transfer (by merger or otherwise) of (x) any Equity Interests of such Guarantor following which such Guarantor is no longer a Subsidiary of the Company or (y) all or substantially all the properties and assets of such Guarantor to a Person that is not a Subsidiary of the Company;

(2) upon the release or discharge by such Guarantor of all Indebtedness or Guarantee which resulted in the creation of such Note Guarantee (or would have resulted in the creation of a Note Guarantee had such Note Guarantee not already been in existence), so long as immediately after the release of such Note Guarantee, the Company would be in compliance with the covenant described under "—Certain Covenants—Limitation on Subsidiary Debt;"

(3) upon the merger or consolidation of such Guarantor with and into either the Company or any other Guarantor that is the surviving person in such merger or consolidation, or upon the liquidation of such Guarantor following the transfer of all or substantially all of its property and assets to either the Company or another Guarantor; or

(4) upon the exercise by the Company of its legal defeasance or covenant defeasance options, or the discharge of the Company's obligations under the Euro Notes Indenture and the Euro Notes, as described under "—Defeasance" and "—Satisfaction and Discharge."

Upon any such occurrence specified above, the trustee shall execute any documents prepared by the Company and reasonably required to acknowledge such release, discharge and termination in respect of such Note Guarantee. Neither the Company nor any Guarantor shall be required to make a notation on the Euro Notes to reflect any such Note Guarantee or any such release, termination or discharge. The Euro Notes Indenture provides that the obligations of a Guarantor under its Note Guarantees are limited to the maximum amount as will result in the obligations of such Guarantor under its Note Guarantee not being deemed to constitute a fraudulent conveyance or fraudulent transfer under federal or state law.

Optional Redemption

At any time prior to the Par Call Date (as defined below), upon not less than 30 nor more than 60 days' notice to the holders of Euro Notes, the Company may redeem some or all of such Euro Notes at a price of 100% of the principal amount of such Euro Notes redeemed plus the Applicable Premium (defined below), plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

"Applicable Premium" means, with respect to any Euro Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of such Euro Note; and

(2) the excess, if any, of (a) the present value at such redemption date of all scheduled payments of interest and principal on such Euro Note (excluding accrued but unpaid interest, if any, to, but excluding, the redemption date), computed using a discount rate equal to the Adjusted Bund Rate as of such redemption date; over (b) the principal amount of such Euro Note.

If we elect to redeem any Euro Notes on or after the Par Call Date, we will pay an amount equal to 100% of the principal amount of the Euro Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

"Par Call Date" means March 15, 2030 (three months prior to the maturity date of the Euro Notes).

The Company will prepare and send, or cause to be sent, a notice of redemption to each holder of Euro Notes to be redeemed at least 30 and not more than 60 calendar days prior to the date fixed for redemption. On and after a redemption date, interest will cease to accrue on the Euro Notes called for redemption (unless the Company defaults in the payment of the redemption price and accrued interest). On or before a redemption date, the Company will deposit with a paying agent (or the trustee) in respect of such Euro Notes to be redeemed money sufficient to pay the redemption price of and accrued interest on such Euro Notes to be redeemed on that date. If less than all of the Euro Notes are to be redeemed, the Euro Notes to be redeemed shall be selected by the trustee pro rata or by lot or by a method the trustee deems to be fair and appropriate and, in respect of global notes, in accordance with the applicable procedures of Euroclear and Clearstream. Any redemption or notice of redemption may, at the Company's discretion, be subject to one or more conditions precedent.

Mandatory Redemption; Offers To Purchase; Open Market Purchases

The Company is not required to make any mandatory redemption or sinking fund payments with respect to the Euro Notes. However, under certain circumstances, the Company may be required to offer to purchase the

Euro Notes as described under the caption "—Repurchase of Euro Notes upon a Change of Control Triggering Event." The Company may at any time and from time to time purchase Euro Notes in the open market or otherwise.

Ranking

Ranking of the Euro Notes

The Euro Notes are general unsecured obligations of the Company. As a result, the Euro Notes rank:

- pari passu in right of payment with all existing and future senior Indebtedness of the Company, including the Dollar Notes;
- senior in right of payment to all existing and future Indebtedness of the Company that is by its terms expressly subordinated to the Euro Notes;
- effectively subordinated to secured Indebtedness of the Company, to the extent of the value of such assets securing such Indebtedness or other obligations; and
- structurally subordinated to any Indebtedness and other liabilities of any Subsidiaries of the Company that are not Guarantors.

Claims of creditors of the Company's Subsidiaries that are not Guarantors, including obligees of streaming content obligations, trade creditors and creditors holding debt or guarantees issued by such Subsidiaries, and claims of any preferred stockholders of such Subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Company, including holders of the Euro Notes. Accordingly, the Euro Notes are effectively subordinated to the claims of creditors, including obligees of streaming content obligations, trade creditors and creditors holding debt and guarantees issued by such Subsidiaries, and preferred stockholders, if any, of the Subsidiaries of the Company that are not Guarantors.

The Euro Notes Indenture does not limit the amount of indebtedness that may be incurred by the Company or its Foreign Subsidiaries. The Euro Notes Indenture does limit the Company's and its Domestic Restricted Subsidiaries' ability to incur certain kinds of indebtedness secured by Liens and enter into certain sale and leaseback transactions, and the ability of our Domestic Restricted Subsidiaries to incur certain kinds of indebtedness. See "—Certain Covenants."

As of September 30, 2019:

- on a pro forma basis after giving effect to the issuance of the Euro Notes and the Dollar Notes, the Company would have had approximately $14.7 billion of total Indebtedness; and
- the Company's Subsidiaries had approximately $5.4 billion of outstanding total liabilities, including trade payables and content liabilities but excluding (i) intercompany liabilities and (ii) obligations of a type not required to be reflected on a balance sheet of such Subsidiaries, all of which will be structurally senior to the Euro Notes.

As of September 30, 2019, the Company, together with its Subsidiaries, had approximately $8.3 billion of total content liabilities as reflected on the Company's consolidated balance sheet. Such amount does not include streaming content commitments that do not meet the criteria for liability recognition, the amounts of which are significant. For more information on the streaming content obligations of the Company and its subsidiaries, including those not on the Company's consolidated balance sheet, see Note 6, Commitments and Contingencies in Item 1 of Part I of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019 incorporated by reference herein.

Ranking of the Note Guarantees

Any Guarantor's Note Guarantee will be a general unsecured obligation of such Guarantor. As such, any Guarantor's Note Guarantee will rank:

- pari passu in right of payment with all existing and future senior Indebtedness of such Guarantor, including such Guarantor's guarantee of the Dollar Notes;
- senior in right of payment to all existing and future Indebtedness of such Guarantor, if any, that is by its terms expressly subordinated to such Note Guarantees; and
- effectively subordinated to any secured Indebtedness of such Guarantor to the extent of the value of the assets securing such Indebtedness.

Repurchase of Euro Notes upon a Change of Control Triggering Event

Not later than 60 days following a Change of Control Triggering Event, unless the Company has exercised its right to redeem all of the Euro Notes as described under "—Optional Redemption," the Company will make an Offer to Purchase all of the outstanding Euro Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase.

An "Offer to Purchase" with respect to the Euro Notes must be made by written offer, which will specify the principal amount of Euro Notes subject to the offer and the purchase price. The offer must specify an expiration date (the "expiration date") not less than 30 days or more than 60 days after the date of the offer and a settlement date for purchase (the "purchase date") not more than five Business Days after the expiration date. The offer will also contain instructions and materials necessary to enable holders to tender their Euro Notes pursuant to the offer.

A holder of Euro Notes may tender all or any portion of its Euro Notes pursuant to an Offer to Purchase, subject to the requirement that any portion of a Euro Note tendered must be in denominations of €100,000 and integral multiples of €1,000 in excess thereof. Holders are entitled to withdraw Euro Notes they tendered up to the close of business on the expiration date. On the purchase date, the purchase price will become due and payable on each Euro Note accepted for purchase pursuant to the Offer to Purchase, and interest on Euro Notes purchased will cease to accrue on and after the purchase date.

The Company will comply with Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and all other applicable laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

The Company will not be required to make an Offer to Purchase following a Change of Control Triggering Event with respect to the Euro Notes if (1) a third party makes the Offer to Purchase in the manner, at the times and otherwise in compliance with the requirements set forth in the Euro Notes Indenture applicable to an Offer to Purchase made by the Company and purchases all such Euro Notes validly tendered and not withdrawn under such Offer to Purchase or (2) a notice of redemption has been given pursuant to the Euro Notes Indenture as described above under the caption "—Optional Redemption." Notwithstanding anything to the contrary herein, an Offer to Purchase may be made in advance of a Change of Control Triggering Event, conditional upon the Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of such Offer to Purchase.

Other indebtedness to which the Company or its Subsidiaries are or may in the future be subject to prohibitions of events that would constitute a change of control or require that the Company repurchase such debt upon a change of control. If the exercise by the holders of Euro Notes of their right to require the Company to repurchase the Euro Notes upon a Change of Control Triggering Event occurred at the same time as a change of control event under one or more of the Company's other debt agreements, the Company's ability to pay cash to

the holders of the Euro Notes upon a repurchase may be further limited by the Company's then-existing financial resources. See "Risk Factors—Risks Related to the Notes—Upon a change of control triggering event, we may not have the funds necessary to finance the change of control offer required by the applicable indenture governing each series of notes, which would violate the terms of each such indenture."

The phrase "all or substantially all," as used with respect to the assets of the Company in the definition of "Change of Control," is subject to interpretation under applicable state law, and its applicability in a given instance would depend upon the facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Company has occurred in a particular instance, in which case a holder's ability to obtain the benefit of these provisions could be unclear.

The Change of Control purchase feature of the Euro Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the initial purchasers of the Euro Notes and the Company. After the Issue Date, the Company has no present intention to engage in a transaction involving a Change of Control, although it is possible that it could decide to do so in the future. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control Triggering Event under the Euro Notes Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure or credit ratings. Restrictions on the Company's ability to incur additional Indebtedness are contained in the covenants described under "—Certain Covenants—Limitation on Subsidiary Debt", "—Certain Covenants—Limitation on Liens" and "—Certain Covenants—Limitation on Sale and Lease-Back Transactions." Such restrictions in the Euro Notes Indenture can be waived only with the consent of the holders of a majority in principal amount of the Euro Notes then outstanding. Except for the limitations contained in such covenants, however, the Euro Notes Indenture will not contain any covenants or provisions that may afford holders of the Euro Notes protection in the event of a highly leveraged transaction.

The provisions under the Euro Notes Indenture relating to the Company's obligation to make an offer to repurchase the Euro Notes as a result of a Change of Control Triggering Event may be waived or modified with the written consent of the holders of a majority in principal amount of the Euro Notes.

Further Issues of Euro Notes

The Company may from time to time, without notice to or the consent of the holders of the Euro Notes, create and issue additional Euro Notes, ranking equally with such Euro Notes in all respects (or in all respects other than the payment of interest accruing prior to the issue date of such additional Euro Notes except for the first payment of interest following the issue date of such additional Euro Notes); provided that if such additional Euro Notes are not fungible with the Euro Notes offered hereby for U.S. federal income tax or other purposes, then such additional Euro Notes will have a separate CUSIP number. Such additional Euro Notes will be consolidated and form a single series with the Euro Notes and have the same terms as to status, redemption or otherwise as such Euro Notes.

Exchange and Transfer

Holders of Euro Notes generally will be able to exchange Euro Notes for other Euro Notes with the same total principal amount and the same terms.

Holders of Euro Notes may present Euro Notes for exchange or for registration of transfer at the office of the security registrar or at the office of any transfer agent designated for that purpose. The security registrar or designated transfer agent in respect of the Euro Notes will exchange or transfer such Euro Notes if it is satisfied with the documents of title and identity of the Person making the request; provided that such transfer complies with the restrictions specified in the Euro Notes Indenture. The Company will not charge a service charge for any

exchange or registration of transfer of such Euro Notes. However, the Company and the security registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable for the registration of transfer or exchange. The Company has initially appointed Elavon Financial Services DAC as security registrar for the Euro Notes. At any time the Company may:

- designate additional transfer agents;
- rescind the designation of any transfer agent; or
- approve a change in the office of any transfer agent.

However, the Company is required to maintain a transfer agent in each place of payment for the Euro Notes at all times.

If the Company elects to redeem the Euro Notes or makes an Offer to Purchase, neither the Company nor the registrar in respect of the Euro Notes will be required to:

- issue, register the transfer of or exchange any Euro Notes during the period beginning at the opening of business 15 calendar days before the day the Company sends the notice of redemption or makes the Offer to Purchase and ending at the close of business on the day the notice is sent or the Offer to Purchase is made;
- register the transfer or exchange of any Euro Note so selected for redemption or subject to purchase in such Offer to Purchase, except for any portion not to be redeemed or subject to purchase; or
- in the case of a redemption or a purchase date pursuant to an Offer to Purchase occurring after a regular record date but on or before the corresponding interest payment date, register the transfer or exchange of any Euro Note on or after the regular record date and before the date of redemption or purchase.

The Euro Notes held in global form may be transferred in accordance with the Euro Notes Indenture and the terms of the Euro Notes. All transfers of book-entry interests in the Euro Notes between participants in Euroclear or Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to applicable rules and procedures established by Euroclear or Clearstream and their respective participants. See "—Book-Entry, Form, Denomination and Delivery of Euro Notes."

Payment and Paying Agents

Under the Euro Notes Indenture, the Company will pay interest on the Euro Notes to the Persons in whose names such Euro Notes are registered at the close of business on the regular record date for each interest payment. However, the Company will pay the interest payable on such Euro Notes at their stated maturity to the Persons to whom the Company pays the principal amount of the Euro Notes, subject to the applicable procedures of Euroclear and Clearstream.

The Company will pay principal, premium, if any, and interest on such Euro Notes at the offices of the designated paying agents. However, except in the case of a global security, the Company will pay interest by:

- check mailed to the address of the Person entitled to the payment as it appears in the security register; or
- if you are a holder of Euro Notes with an aggregate principal amount in excess of $5.0 million, by wire transfer in immediately available funds to the place and account designated in writing at least fifteen calendar days prior to the interest payment date by the Person entitled to the payment as specified in the security register.

The Company will initially designate the Elavon Financial Services DAC, UK Branch, under the trade name U.S. Bank Global Corporate Trust Services, as the sole paying agent for such Euro Notes. At any time, the Company may designate additional paying agents or rescind the designation of any paying agents. However, the Company is required to maintain a paying agent in each place of payment for such Euro Notes at all times.

Subject to applicable escheatment laws, any money deposited with the trustee or any paying agent for such Euro Notes for the payment of principal, premium, if any, and interest on such Euro Notes that remains unclaimed for two years after the date the payments became due, may be repaid to the Company upon its request. After the Company has been repaid, holders entitled to those payments may only look to the Company for payment as its unsecured general creditors. Neither the trustee nor any paying agent for such Euro Notes will be liable for those payments after the Company has been repaid.

Maintenance of Listing

The Company will use its commercially reasonable efforts to cause the Euro Notes to be listed on the Exchange and admitted to the Official List of the Exchange for trading on The International Stock Exchange, and to maintain such listing and admission for so long as the Euro Notes are outstanding; provided that the Company shall not be required to maintain such listing if doing so would (1) require preparation of financial statements in accordance with standards other than those accounting principles generally accepted in the United States, (2) require preparation of any financial statements other than those the Company is required to file with the Commission pursuant to United States federal securities laws, (3) as a result of disclosure of information by the Company in connection with such listing pursuant to applicable law or listing requirements, require the Company to publicly disclose or file with the Commission such information, which information the Company is not otherwise required to publicly disclose or file under applicable United States federal securities laws, as reasonably determined by the Company, or (4) otherwise become unduly burdensome, as reasonably determined by the Company. If at any time the Company determines that it will not maintain such listing, it will, prior to the delisting of the Euro Notes from the Exchange (if then listed on the Exchange), use commercially reasonable efforts to obtain and maintain a listing of the Euro Notes on another "recognised stock exchange" as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom (in which case, references in this covenant to The International Stock Exchange Authority Limited will be deemed to be refer to such other "recognised stock exchange"), subject to the proviso in the immediately foregoing sentence. In no event will this covenant require the Company to obtain or maintain the listing of the Euro Notes on any exchange that requires financial reporting for any fiscal period in addition to the fiscal periods required by the SEC. See "Risk Factors—Risks Related to the Notes—We are under no obligation to maintain the listing of the euro notes in certain circumstances."

Certain Covenants

Except as set forth below, neither the Company nor any of its Subsidiaries will be restricted by the Euro Notes Indenture from:

- incurring any indebtedness or other obligation;
- incurring any Liens;
- entering into any sale and lease-back transactions; or
- disposing of any assets.

In addition, neither the Company nor any of its Subsidiaries will be restricted by the Euro Notes Indenture from making any investments, including acquisitions, paying dividends or making distributions on the capital stock of the Company or of such Subsidiaries or purchasing or redeeming capital stock of the Company or such Subsidiaries, and the Company will not be required to maintain any financial ratios or specified levels of net worth or liquidity or to repurchase or redeem or otherwise modify the terms of any of the Euro Notes upon a change of control or other events involving the Company or any of its Subsidiaries which may adversely affect the creditworthiness of the Euro Notes, except to the limited extent provided under "—Repurchase of Euro Notes upon a Change of Control Trigger Event." Among other things, the Euro Notes Indenture will not contain covenants designed to afford holders of the Euro Notes any protections in the event of a highly leveraged or other transaction involving the Company that may adversely affect holders of the Euro Notes, except to the limited extent provided below and under "—Repurchase of Euro Notes upon a Change of Control Trigger Event."

The Euro Notes Indenture contains covenants including, among others, the following:

Consolidation, Merger and Conveyance, Transfer and Lease of Assets

The Company may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all the properties and assets of the Company and its Subsidiaries (determined on a consolidated basis), taken as a whole, to, any Person, in a single transaction or in a series of related transactions, unless:

- either (a) the Person formed by or surviving any such consolidation or merger is the Company (the Person formed by or surviving a consolidation or merger, the "continuing Person") or (b) the Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all the properties and assets of the Company and its Subsidiaries (determined on a consolidated basis), taken as a whole (the "Successor Company"), is an entity organized under the laws of the United States of America, any State thereof or the District of Columbia;
- if the Company is not the continuing Person, the Successor Company expressly assumes the Company's obligations with respect to the Euro Notes and the Euro Notes Indenture pursuant to a supplemental indenture;
- immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time or both, would become an event of default, shall have occurred and be continuing;
- if the Company is not the continuing Person, each Guarantor (unless such Guarantor is the Successor Company or is the subject of a consolidation or merger pursuant to which it is not the Person formed by such consolidation or not the surviving Person in such merger) shall have by supplemental indenture confirmed that its Note Guarantee shall apply to such Person's obligations in respect of the Euro Notes Indenture and the Euro Notes; and
- if the Company is not the continuing Person, the Company or the Successor Company has delivered to the trustee the certificates and opinions required under the Euro Notes Indenture.

In addition, the Company will not permit any Guarantor to merge with or into, or convey, transfer or lease all or substantially all of such Guarantor's properties and assets (determined on a consolidated basis for such Guarantor and its Subsidiaries), taken as a whole, to, any other Person (in each case other than with, into or to (as applicable) the Company or another Guarantor), in a single transaction or in a series of related transactions, unless:

- either (a) the continuing Person is such Guarantor or (b) the Person (if other than such Guarantor) formed by such consolidation or into which such Guarantor is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all the properties and assets (determined on a consolidated basis for such Guarantor and its Subsidiaries), taken as a whole (the "Successor Guarantor"), is an entity organized under the laws of the United States of America, any State thereof or the District of Columbia;
- if such Guarantor is not the continuing Person, the Successor Guarantor expressly assumes such Guarantor's obligations under its Note Guarantee and the Euro Notes Indenture pursuant to a supplemental indenture;
- immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time or both, would become an event of default, shall have occurred and be continuing; and
- if such Guarantor is not the continuing Person, the Company delivers, or causes to be delivered, to the trustee the certificates and opinions required under the Euro Notes Indenture;

provided that the foregoing paragraph shall not apply to a transaction pursuant to which such Guarantor shall be released from its obligations under the Euro Notes Indenture and the Euro Notes in accordance with the provisions described under "—Guarantees."

Upon any transaction or series of related transactions to which the foregoing requirements apply and are effected in accordance with such requirements, the Successor Company or Successor Guarantor, as applicable, shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the applicable Guarantor, as applicable, under the Euro Notes Indenture with the same effect as if such Successor Company or Successor Guarantor, as applicable, had been named as the Company or applicable Guarantor, as applicable, therein; and when a Successor Company or Successor Guarantor, as applicable, duly assumes all of the obligations and covenants of the Company pursuant to the Euro Notes Indenture and the Euro Notes, except in the case of a lease, the predecessor Person shall be relieved of all such obligations.

Limitation on Liens

The Company will not, and will not permit any of its Domestic Restricted Subsidiaries, to enter into, create, incur or assume any Lien on any Principal Property, whether now owned or hereafter acquired, in order to secure any Indebtedness, without effectively providing that the Euro Notes shall be equally and ratably secured until such time as such Indebtedness is no longer secured by such Lien, except:

- Liens existing as of the Issue Date;
- Liens granted after the Issue Date created in favor of the holders of such Euro Notes;
- Liens created in substitution of, or as replacements for, any Liens described in the preceding two bullet points; provided that based on a good faith determination of one of the Company's Senior Officers, the Principal Property encumbered under any such substitute or replacement Lien is substantially similar in nature to the Principal Property encumbered by the otherwise permitted Lien which is being replaced; and
- Permitted Liens.

Notwithstanding the foregoing, the Company or any Domestic Restricted Subsidiary may, without equally and ratably securing the Euro Notes, create or incur Liens which would otherwise be subject to the restrictions set forth in the preceding paragraph, if after giving effect thereto, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the date of the creation or incurrence of the Lien. The Company or any Domestic Restricted Subsidiary also may, without equally and ratably securing the Euro Notes, create or incur Liens that extend, renew, substitute or replace (including successive extensions, renewals, substitutions or replacements), in whole or in part, any Lien permitted pursuant to the preceding sentence.

Limitation on Subsidiary Debt

The Company will not permit any of its Domestic Restricted Subsidiaries to create, assume, incur, Guarantee or otherwise become liable for any Indebtedness (any such Indebtedness or Guarantee, "Subsidiary Debt"), without Guaranteeing the payment of the principal of, premium, if any, and interest on the Euro Notes on an unsecured unsubordinated basis until such time as such Subsidiary Debt is no longer outstanding.

The foregoing restriction shall not apply to, and there shall be excluded from Indebtedness in any computation under such restriction, Subsidiary Debt constituting:

(1) Indebtedness of or Guarantee by a Person existing at the time such Person is merged into or consolidated with any Domestic Restricted Subsidiary or otherwise acquired by any Domestic Restricted Subsidiary or at the time of a sale, lease or other disposition of the properties and assets of such Person (or a division thereof) as an entirety or substantially as an entirety to any Domestic Restricted Subsidiary and is assumed by such Subsidiary; provided that such Indebtedness or Guarantee was not incurred in contemplation thereof and is not Guaranteed by any other Domestic Restricted Subsidiary (other than any Guarantee existing at the time of such merger, consolidation or sale, lease or other disposition of properties and assets and that was not issued in contemplation thereof);

(2) Indebtedness or Guarantee of a Person existing at the time such Person becomes a Domestic Restricted Subsidiary; provided that any such Indebtedness or Guarantee was not incurred in contemplation thereof;

(3) Indebtedness owed to or Guarantee in favor of the Company or any Domestic Restricted Subsidiary;

(4) Indebtedness or Guarantees in respect of netting services, business credit card programs, overdraft protection and other treasury, depository and cash management services or incurred in connection with any automated clearing-house transfers of funds or other fund transfer or payment processing services;

(5) Indebtedness or Guarantees arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business, provided that any such Indebtedness or Guarantee is extinguished within five business days within its incurrence;

(6) reimbursement obligations incurred in the ordinary course of business;

(7) advances and deposits received in the ordinary course of business;

(8) Indebtedness or Guarantees incurred (a) in respect of workers' compensation claims, payment obligations in connection with health or other types of social security benefits, unemployment or other insurance obligations, reclamation and statutory obligations, (b) in connection with the financing of insurance premiums or self-insurance obligations or take-or-pay obligations contained in supply agreements, and (c) in respect of guarantees, warranty or contractual service obligations, indemnity, bid, performance, warranty, release, appeal, surety and similar bonds, letters of credit and banker's acceptances for operating purposes or to secure any Indebtedness or Guarantee or other obligations referred to in clauses (1) through (7) or this clause (8), payment (other than for payment of Indebtedness) and completion guarantees, in each case provided or incurred (including Guarantees thereof) in the ordinary course of business;

(9) Indebtedness and Guarantees of a Content Project Subsidiary in connection with (a) Content Acquisition Transactions by such Subsidiary or other Content Acquisition Transactions with respect to Related Projects by one or more Content Project Subsidiaries or (b) Content Disposition Transactions by such Subsidiary or other Content Disposition Transactions with respect to Related Projects by one or more Content Project Subsidiaries; or

(10) Indebtedness or Guarantee outstanding on the date of the Euro Notes Indenture and any extension, renewal, replacement, refinancing or refunding of any Indebtedness or Guarantee existing on the date of the Euro Notes Indenture or referred to in clauses (1) and (2); provided that any Indebtedness or Guarantee incurred to so extend, renew, replace, refinance or refund shall be incurred within 360 days of the maturity, retirement or other repayment or prepayment of the Indebtedness or Guarantee referred to in this clause or clauses (1) and (2) above and the principal amount of the Indebtedness incurred or Guaranteed to so extend, renew, replace, refinance or refund shall not exceed the principal amount of Indebtedness or Guarantee being extended, renewed, replaced, refinanced or refunded plus any premium or fee (including tender premiums) or other reasonable amounts payable, plus the amount of fees, expenses and other costs incurred, in connection with any such extension, renewal, replacement, refinancing or refunding.

Notwithstanding the foregoing, any Domestic Restricted Subsidiary may, create, incur, issue or assume Subsidiary Debt that would otherwise be subject to the restrictions set forth in the first paragraph of this covenant, without Guaranteeing the payment of the principal of, premium, if any, and interest on the Euro Notes, if after giving effect thereto, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the date of the creation or incurrence of the Subsidiary Debt. Any Domestic Restricted Subsidiary also may, without Guaranteeing the payment of the principal of, premium, if any, and interest on the Euro Notes, extend, renew, replace, refinance or refund any Subsidiary Debt permitted pursuant to the preceding sentence; provided that any

Subsidiary Debt incurred to so extend, renew, replace, refinance or refund shall be incurred within 360 days of the maturity, retirement or other repayment or prepayment of the Subsidiary Debt being extended, renewed, replaced, refinanced or refunded and the principal amount of the Subsidiary Debt incurred to so extend, renew, replace, refinance or refund shall not exceed the principal amount of Subsidiary Debt being extended, renewed, replaced, refinanced or refunded plus any premium or fee (including tender premiums) or other reasonable amounts payable, plus the amount of fees, expenses and other costs incurred, in connection with any such extension, renewal, replacement, refinancing or refunding.

Limitation on Sale and Lease-Back Transactions

The Company will not, and will not permit any of its Domestic Restricted Subsidiaries, to enter into any sale and lease-back transaction for the sale and leasing back of any Principal Property, whether now owned or hereafter acquired, unless:

- such transaction was entered into prior to the Issue Date;
- such transaction was for the sale and leasing back to the Company or a Domestic Restricted Subsidiary of any Principal Property;
- such transaction involves a lease of a Principal Property executed by the time of or within 12 months after the latest of the acquisition, the completion of construction or improvement, or the commencement of commercial operation, of such Principal Property;
- such transaction involves a lease for not more than three years (or which may be terminated by the Company or the applicable Domestic Restricted Subsidiary within a period of not more than three years);
- the Company or the applicable Domestic Restricted Subsidiary would be entitled to incur Indebtedness secured by a mortgage on the property to be leased in an amount equal to Attributable Liens with respect to such sale and lease-back transaction without equally and ratably securing the Euro Notes pursuant to the first paragraph of "—Limitation on Liens" above; or
- the Company or the applicable Domestic Restricted Subsidiary applies an amount equal to the net proceeds from the sale of the Principal Property to the purchase of other Principal Property or to the retirement, repurchase or other repayment or prepayment of long-term Indebtedness within 365 calendar days before or after the effective date of any such sale and lease-back transaction; provided that in lieu of applying such amount to such retirement, repurchase, repayment or prepayment, the Company or any Domestic Restricted Subsidiary may deliver Euro Notes to the trustee for cancellation, such Euro Notes to be credited at the cost thereof to the Company or such Domestic Restricted Subsidiary.

For the avoidance of doubt, any transaction that is required to be accounted for as a sale and lease-back transaction in accordance with GAAP shall not be deemed to be a sale and lease-back transaction subject to the foregoing restrictions unless such transaction involves an actual transfer of Principal Property.

Notwithstanding the foregoing, the Company and its Domestic Restricted Subsidiaries may enter into any sale and lease-back transaction which would otherwise be subject to the foregoing restrictions if after giving effect thereto and at the time of determination, Aggregate Debt does not exceed an amount equal to the greater of (a) $4.25 billion, and (b) 3.0 times Consolidated EBITDA of the Company for the Measurement Period immediately preceding the closing date of the sale and lease-back transaction.

Provision of Financial Information

The Company will file with the trustee, within 15 days after it has filed the same with the SEC, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the

foregoing as the SEC may prescribe) that it may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act (other than confidential filings, documents subject to confidential treatment and correspondence with the SEC); provided that the delivery of materials to the trustee by electronic means or filing of documents via the EDGAR system (or any successor electronic filing system) shall be deemed to be filed with the trustee as of the time such documents are filed via EDGAR (or such successor system), it being understood that the trustee shall have no responsibility whatsoever to determine if such filings have been made.

Certain Definitions

As used in this section, the following terms have the meanings set forth below.

"Aggregate Debt" means the sum of the following as of the date of determination: (1) the lesser of (A) the then outstanding aggregate principal amount of the Indebtedness of the Company and its Domestic Restricted Subsidiaries incurred after the Issue Date and secured by Liens not permitted by the first paragraph under "—Certain Covenants—Limitations on Liens" above and (B) the fair market value of the assets subject to the Liens referred to in clause (A), as determined in good faith by the Company's Board of Directors; (2) the then outstanding aggregate principal amount of all consolidated Indebtedness of the Company and its Domestic Restricted Subsidiaries that constitutes Subsidiary Debt incurred after the Issue Date and not permitted by the second paragraph under "—Certain Covenants—Limitation on Subsidiary Debt" above; provided that any such Subsidiary Debt will be excluded from this clause (2) to the extent that such Subsidiary Debt is included in clause (1) or (3) of this definition; and (3) the then existing Attributable Liens of the Company and its Domestic Restricted Subsidiaries' in respect of sale and lease-back transactions entered into after the Issue Date pursuant to the second paragraph of "—Certain Covenants—Limitation on Sale and Lease-Back Transactions" above; provided that any such Attributable Liens will be excluded from this clause (3) to the extent that the Indebtedness relating thereto is included in clause (1) or (2) of this definition. For the avoidance of doubt, in no event will the amount of Indebtedness (including Guarantees of such Indebtedness) be required to be included in the calculation of Aggregate Debt more than once despite the fact that more than one Person is liable with respect to such Indebtedness and despite the fact that such Indebtedness is secured by the assets of more than one Person.

"Adjusted Bund Rate" means, with respect to any redemption date for the Euro Notes, the rate per annum (which, if less than zero, shall be deemed to be zero) equal to the annual equivalent yield to maturity of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, plus 0.50%.

"Attributable Liens" means in connection with a sale and lease-back transaction the lesser of: (1) the fair market value of the assets subject to such transaction, as determined in good faith by the Company's Board of Directors; and (2) the present value (discounted at a rate of 10% per annum compounded monthly) of the obligations of the lessee for rental payments during the shorter of the term of the related lease or the period through the first date on which the Company may terminate the lease.

"Board of Directors" means the Board of Directors of the Company or any committee thereof duly authorized to act on behalf of such Board.

"Business Day" means a day on which commercial banks and foreign exchange markets are open for business in the State of New York and London, and which is a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET2) is operating.

"Capital Stock" means, with respect to any Person, any and all shares of stock of a corporation, partnership interests or other equivalent interests (however designated, whether voting or non-voting) in such Person's equity, entitling the holder to receive a share of the profits and losses, and a distribution of assets, after liabilities, of such Person.

"Change of Control" means:

(1) the Company becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) that any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), is or has become the "beneficial owner" (as such term is used in Rules 13d-3 and 13d-5 under the Exchange Act) of more than 50% of the Voting Stock of the Company; provided, however, that for purposes of this clause (1) such person or group shall be deemed to have "beneficial ownership" of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time, directly or indirectly; and provided, further, that a transaction will not be deemed to involve a Change of Control under this clause (1) if (a) the Company becomes a direct or indirect wholly owned subsidiary of a holding company, and (b)(i) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction or (ii) immediately following that transaction no "person" or "group" (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company; or

(2) the Company sells, conveys, transfers or leases (either in one transaction or a series of related transactions) all or substantially all assets of the Company and its Subsidiaries taken as a whole to, or merges or consolidates with, a Person (other than the Company or any of its Subsidiaries), other than any such merger or consolidation where the shares of the Company's Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or parent entity thereof immediately after giving effect to such transaction.

"Change of Control Triggering Event" means the occurrence of (1) a Change of Control that is accompanied or followed by a downgrade of the Euro Notes within the Ratings Decline Period for such Change of Control by each of Moody's and S&P (or, in the event Moody's or S&P or both shall cease rating the Euro Notes (for reasons outside the control of the Company) and the Company shall select any other nationally recognized rating agency, the equivalent of such ratings by such other nationally recognized rating agency) and (2) the rating of the Euro Notes on any day during such Ratings Decline Period is below the lower of the rating by such nationally recognized rating agency in effect (a) immediately preceding the first public announcement of the Change of Control (or occurrence thereof if such Change of Control occurs prior to public announcement) and (b) on the Issue Date.

"Comparable German Bund Issue" means, with respect to the Euro Notes, that German Bundesanleihe security selected by the Quotation Agent as having a fixed maturity most nearly equal to the remaining term of the Euro Notes (measured from the redemption date) that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities of a maturity most nearly equal to the remaining term of the Euro Notes (measured from the redemption date).

"Comparable German Bund Price" means, with respect to any redemption date, the average of three, or if not possible, such lesser number as is obtained by the Quotation Agent, Reference German Bund Dealer Quotations for such redemption date.

"Consolidated EBITDA" means, with respect to any Person for any Measurement Period, the sum of, without duplication, the amounts for such period, taken as a single accounting period, of: (1) Consolidated Net Income; (2) Consolidated Non-cash Charges; (3) Consolidated Interest Expense; (4) Consolidated Income Tax Expense; (5) restructuring expenses and charges; (6) any expenses or charges related to any equity offering, Investment, recapitalization or incurrence of Indebtedness not prohibited under the Euro Notes Indenture (whether or not successful) or related to the issuance of the Euro Notes (including, for the avoidance of doubt, the

expenses and/or charges related to the offering and sale of the Dollar Notes); (7) costs or accruals or reserves incurred in connection with acquisitions after the Issue Date; and (8) any costs or expenses incurred by the Company or any Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Equity Interests).

Consolidated EBITDA shall be calculated after giving effect on a pro forma basis for the applicable Measurement Period to any asset sales or other dispositions or acquisitions, investment, mergers, consolidations and discontinued operations (as determined in accordance with GAAP) by such Person and its Subsidiaries (1) that have occurred during such Measurement Period or at any time subsequent to the last day of such Measurement Period and on or prior to the date of the transaction in respect of which Consolidated EBITDA is being determined and (2) that the Company determines in good faith are outside the ordinary course of business, in each case as if such asset sale or other disposition or acquisition, investment, merger, consolidation or disposed operation occurred on the first day of such Measurement Period. For purposes of this definition, pro forma calculations shall be made in accordance with Article 11 of Regulation S-X under the Securities Act; provided that such pro forma calculations may include operating expense reductions for such period resulting from the transaction which is being given pro forma effect that are reasonably identifiable and factually supportable and have been realized or for which the steps necessary for realization have been taken or have been identified and are reasonably expected to be taken within one year following any such transaction (which operating expense reductions are reasonably expected to be sustainable); provided, further, that, the Company shall not be required to give pro forma effect to any transaction that it does not in good faith deem material. Such pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Company.

"Consolidated Income Tax Expense" means, with respect to any Person for any period, the provision for federal, state, local and foreign income taxes of such Person and its Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP paid or accrued during such period, including any penalties and interest related to such taxes or arising from any tax examinations, to the extent the same were deducted in computing Consolidated Net Income.

"Consolidated Interest Expense" means, with respect to any Person for any period, without duplication, the total net interest expense of such Person and its Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP to the extent deducted in calculating Consolidated Net Income, of such Person and its Subsidiaries, including, without limitation: (1) any amortization of debt discount; (2) the net cost under any Swap Contract in respect of interest rate protection (including any amortization of discounts); (3) the interest portion of any deferred payment obligation; (4) all commissions, discounts and other fees and charges owed with respect to letters of credit, bankers' acceptances, financing activities or similar activities; (5) all accrued interest; (6) the interest component of Finance Lease obligations paid, accrued and/or scheduled to be paid or accrued by such Person and its Subsidiaries during such period determined on a consolidated basis in accordance with GAAP; (7) all capitalized interest of such Person and its Subsidiaries for such period; and (8) the amount of any interest expense attributable to minority equity interests of third parties in any non-wholly owned Subsidiary.

"Consolidated Net Income" means, with respect to any Person, for any period, the consolidated net income (or loss) of such Person and its Subsidiaries for such period as determined in accordance with GAAP, adjusted, to the extent included in calculating such net income, by excluding, without duplication: (1) all extraordinary gains or losses (net of fees and expense relating to the transaction giving rise thereto), income, expenses or charges; (2) the portion of net income of such Person and its Subsidiaries allocable to minority interest in unconsolidated Persons (provided, however, that net income of any such unconsolidated Person or Subsidiary shall be included to the extent that cash dividends or distributions have actually been received by such Person); (3) gains or losses in respect of any asset sales outside of the ordinary course of business by such Person or one of its Subsidiaries (net of fees and expenses relating to the transaction giving rise thereto), on an after-tax basis; (4) the net income

(loss) from any disposed or discontinued operations or any net gains or losses on disposed or discontinued operations, on an after-tax basis; (5) any gain or loss realized as a result of the cumulative effect of a change in accounting principles; (6) any net after-tax gains or losses attributable to the early extinguishment or conversion of indebtedness, derivative instruments or other long-term liabilities; (7) non-cash gains, losses, income and expenses resulting from the application of fair value accounting to certain derivative instruments as required by Accounting Standards Codification Topic 815 or any related subsequent Accounting Standards Codification Topics; and (8) gains or losses resulting from currency fluctuations.

In addition, to the extent not already included in Consolidated Net Income of such Person and its Subsidiaries, notwithstanding anything to the contrary in the foregoing, Consolidated Net Income shall include the amount of proceeds received from business interruption insurance and reimbursements of any expenses or charges that are covered by indemnification or other reimbursement provisions in connection with any Investment or sale, conveyance, transfer or disposition of assets not prohibited under the Euro Notes Indenture.

"Consolidated Non-cash Charges" means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of goodwill, other intangibles, deferred financing fees, debt issuance costs, commissions, fees and expenses), impairment charges or asset write-off or write-downs, non-cash compensation expense incurred in connection with the issuance of Equity Interests to any director, officer, employee or consultant of such Person or any Subsidiary, and other non-cash expenses of such Person and its Subsidiaries reducing Consolidated Net Income of such Person and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (excluding any such charges constituting an extraordinary item or loss and excluding any such charges constituting an extraordinary item or loss or any charge which requires an accrual of or a reserve for cash charges for any future period); provided that Consolidated Non-cash Charges shall not include the amortization of content library.

"Consolidated Subsidiaries" means, as of any date of determination and with respect to any Person, those Subsidiaries of that Person whose financial data is, in accordance with GAAP, reflected in that Person's consolidated financial statements.

"Content" means rights to audio/visual content, and any rights in assets related to the acquisition, development, production or licensing of such content, and the products and proceeds thereof.

"Content Acquisition Transaction" means any purchase (which includes the development, production, licensing of Content or other arrangement for the acquisition of Content, including through the acquisition of one or more entities whose primary assets are Content) of any Content by the Company or any Subsidiary.

"Content Project Subsidiary" means a Subsidiary formed for the purpose of purchasing (which includes the development, production or licensing of Content or other arrangement for the acquisition of Content, including through the acquisition of one or more entities whose primary assets are Content) or disposing (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of Content, provided that the assets of such Subsidiary are limited to (A) Content with respect to Related Projects, (B) assets and rights arising from any disposition (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of any such Content, (C) cash and cash equivalents, (D) equity of a Subsidiary that is a Content Project Subsidiary with respect to a Related Project, and (E) other assets and rights related to or reasonably necessary or useful for the purpose of engaging in any such acquisition or disposition of such Content.

"Content Disposition Transaction" means any disposition (which includes the sale, licensing, exploitation, distribution or other arrangement for the disposition) of any Content or any rights or assets related thereto, including any transaction (including a borrowing) for purposes of monetizing receivables or other rights to payment arising from any such disposition.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Disqualified Equity Interests" means, with respect to any Person, Equity Interests of such Person that by their terms (or by terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, the passage of time or otherwise are:

(1) required to be redeemed or redeemable at the option of the holder in whole or in part prior to the stated maturity of the Euro Notes for consideration other than Qualified Equity Interests; or

(2) convertible at the option of the holder thereof into Disqualified Equity Interests or exchangeable for Indebtedness;

provided, in each case, that (x) only the portion of such Equity Interests which is required to be redeemed, is so convertible or exchangeable or is so redeemable at the option of the holder thereof before such date will be deemed to be Disqualified Equity Interests, (y) Equity Interests will not constitute Disqualified Equity Interests solely because of provisions giving holders thereof the right to require repurchase or redemption upon a "change of control" or "asset sale" occurring prior to the stated maturity of the Euro Notes, and (z) Equity Interests issued to any plan for the benefit of employees of such Person or its subsidiaries or by any plan to such employees will not constitute Disqualified Equity Interests solely because it may be required to be repurchased by such Person or its subsidiaries in order to satisfy applicable statutory or regulatory obligations.

"Domestic Restricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is organized or existing under the laws of the United States, any state thereof or the District of Columbia, other than any such Subsidiary that is owned (directly or indirectly) by a Foreign Subsidiary of such Person.

"Equity Interests" means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Indebtedness convertible into or exchangeable for equity.

"Finance Lease" means, as applied to any Person, any lease of any property, whether real, personal or mixed, of such Person as lessee is required to be classified and accounted for as a finance lease in accordance with GAAP.

"Foreign Subsidiary" means with respect to any Person, any Subsidiary of such Person other than one that is organized or existing under the laws of the United States, any state thereof or the District of Columbia.

"GAAP" means generally accepted accounting principles in the United States set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect as of the date of determination; provided that, except as otherwise specifically provided, all calculations made for purposes of determining compliance with the terms of the provisions of the Euro Notes Indenture shall utilize GAAP as in effect on the Issue Date.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. For the avoidance of doubt, an agreement or arrangement or series of related agreements or arrangements providing for or in connection with the purchase of assets, securities, services or rights (including, without limitation, a Content Acquisition Transaction) that is entered into in connection with the business of the Company or any Subsidiary (including any consent or acknowledgement of assignment, including any assignment of payment obligations and related obligations, and related waivers) shall not constitute a Guarantee, provided payment obligations provided for under such

agreements or arrangements are limited to payments for assets, securities, services and rights (including Content) and other ancillary payment obligations customary in such transactions. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantor" means any Subsidiary of the Company that executes a Note Guarantee in respect of the Euro Notes in accordance with the provisions of the Euro Notes Indenture.

"Indebtedness" of any specified Person means any obligation for borrowed money. For the avoidance of doubt, Indebtedness with respect to any Person, only includes indebtedness for the repayment of money provided to such Person, and does not include any other kind of indebtedness or obligation notwithstanding that such other indebtedness or obligation may be evidenced by a note, bond, debenture or other similar instrument, may be in the nature of a financing transaction, or may be an obligation that under GAAP is classified as "debt" or another type of liability, whether required to be reflected on the balance sheet of such Person or otherwise. For the further avoidance of doubt, the inclusion of specific obligations in the second paragraph of "—Certain Covenants—Limitation on Subsidiary Debt" shall not create any implication that any such obligations constitute Indebtedness.

"Investment" by any Person means any direct or indirect loan, advance (or other extension of credit) or capital contribution to (by means of any transfer of cash or other property or assets to another Person or any other payments for property or services for the account or use of another Person) another Person, including, without limitation, the following: (1) the purchase or acquisition of any Capital Stock or other evidence of beneficial ownership in another Person; and (2) the purchase, acquisition or Guarantee of the Indebtedness or other liability of another Person.

"Issue Date" means the date of original issuance of the Euro Notes under the Euro Notes Indenture.

"Joint Venture" means, with respect to any Person, any partnership, corporation or other entity in which up to and including 50% of the Equity Interests is owned, directly or indirectly, by such Person and/or one or more of its Subsidiaries.

"Lien" means any lien, security interest, mortgage, charge or similar encumbrance; provided, however, that in no event shall an operating lease or a nonexclusive license be deemed to constitute a Lien.

"Measurement Period" means, at any date of determination, the most recently completed four fiscal quarters of the Company for which financial statements have been filed with the SEC.

"Moody's" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation and its successors.

"Note Guarantee" means any guarantee in respect of the Euro Notes that may from time to time be entered into by a Subsidiary of the Company after the Issue Date in accordance with the provisions of the Euro Notes Indenture.

"Permitted Liens" means:

- Liens on any assets, created solely to secure obligations incurred to finance the refurbishment, improvement or construction (which term includes, for avoidance of doubt, development, creation and production) of such asset, which obligations are incurred no later than 12 months after completion of such refurbishment, improvement or construction, and all renewals, extensions, refinancings, replacements or refundings of such obligations;
- (a) Liens given to secure the payment of the purchase price or other acquisition, installation or construction (which term includes, for avoidance of doubt, development, creation and production) costs incurred in connection with the acquisition (including acquisition through merger or consolidation) of

any Principal Property, including Finance Lease transactions in connection with any such acquisition and including any purchase money Liens, and (b) Liens existing on any Principal Property at the time of acquisition (including acquisition through merger or consolidation) thereof or at the time of acquisition by the Company or any Domestic Restricted Subsidiary of any Person then owning such property whether or not such existing Liens were given to secure the payment of the purchase price of the property to which they attach; provided that with respect to clause (a), the Liens shall be given within 12 months after such acquisition and shall attach solely to the Principal Property acquired or purchased and any improvements then or thereafter placed thereon and any proceeds thereof, accessions thereto and insurance proceeds thereof;

- Liens in favor of the Company or a Domestic Restricted Subsidiary;
- Liens on any Principal Property in favor of the United States of America or any State thereof or any political subdivision thereof to secure progress or other payments or to secure Indebtedness incurred for the purpose of financing the cost of acquiring, constructing or improving such Principal Property;
- Liens imposed by law, such as carriers', warehousemen's and mechanic's Liens and other similar Liens arising in the ordinary course of business, Liens in connection with legal proceedings and Liens arising solely by virtue of any statutory, common law or contractual provision relating to banker's Liens, rights of set-off or similar rights and remedies as to securities accounts, deposit accounts or other funds maintained with a creditor depository institution;
- Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or subject to penalties for non-payment or which are being contested in good faith by appropriate proceedings;
- Liens to secure the performance of bids, trade or commercial contracts, government contracts, purchase, construction, sales and servicing contracts (including utility contracts), leases, statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business, deposits as security for contested taxes, import or customs duties, liabilities to insurance carriers or for the payment of rent, and Liens to secure letters of credit, Guarantees, bonds or other sureties given in connection with the foregoing obligations or in connection with workers' compensation, unemployment insurance or other types of social security or similar laws and regulations;
- licenses and sublicenses of intellectual property of the Company and its Domestic Restricted Subsidiaries and leases and subleases of property granted to others not in any way interfering in any material respect with the business of the Company and its Subsidiaries;
- Liens upon specific items of inventory or other goods, documents of title and proceeds of any Person securing such Person's obligation in respect of letters of credit or banker's acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;
- Liens on stock, partnership or other equity interests in any Joint Venture of the Company or any of its Domestic Restricted Subsidiaries or in any Domestic Restricted Subsidiary that owns an equity interest in a Joint Venture to secure Indebtedness contributed or advanced solely to that Joint Venture; provided that, in each case, the Indebtedness secured by such Lien is not secured by a Lien on any other property of the Company or any Domestic Restricted Subsidiary;
- Liens and deposits securing netting services, business credit card programs, overdraft protection and other treasury, depository and cash management services or incurred in connection with any automated clearing-house transfers of funds or other fund transfer or payment processing services;
- Liens on, and consisting of, deposits made by the Company to discharge or defease the Euro Notes and the Euro Notes Indenture or any other Indebtedness;

- Liens on insurance policies and the proceeds thereof incurred in connection with the financing of insurance premiums;
- easements, rights of way, covenants, restrictions, minor encroachments, protrusions, municipal and zoning and building ordinances and similar charges, encumbrances, title defects or other irregularities, governmental restrictions on the use of property or conduct of business, and other similar charges and encumbrances and Liens in favor of governmental authorities and public utilities, that do not materially interfere with the ordinary course of business of the Company and its Subsidiaries, taken as a whole;
- Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods and Liens deemed to exist in connection with Investments in repurchase agreements;
- Liens on (a) assets of a Content Project Subsidiary in connection with (x) Content Acquisition Transactions by such Subsidiary and other Content Acquisition Transactions with respect to Related Projects by one or more Content Project Subsidiaries, and (y) Content Disposition Transactions by such Subsidiary or other Content Disposition Transactions with respect to Related Projects by one or more Content Project Subsidiaries, and (b) assets of the Company in connection with such transactions, provided, in the case of the Company only, such Liens attach solely to the Content acquired in such transaction, the rights arising as a result of the disposition of such Content or rights therein (including receivables and other rights to payment arising from such transaction), other assets related to such Content or such rights and, in each case, the products and proceeds thereof; or
- any extension, renewal, substitution or replacement (or successive extensions, renewals, substitutions or replacements), in whole or in part, of any Lien referred to in the preceding bullet points, inclusive.

For the avoidance of doubt, the inclusion of specific Liens in the definition of "Permitted Liens" shall not create any implication that the obligations secured by such Liens constitute Indebtedness.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Principal Property" means, with respect to any Person, all of such Person's interests in any kind of property or asset (including the capital stock in and other securities of any other Person), except such as the Board of Directors by resolution determines in good faith (taking into account, among other things, the materiality of such property to the business, financial condition and earnings of the Company and its Consolidated Subsidiaries taken as a whole) not to be material to the business of the Company and its Consolidated Subsidiaries, taken as a whole.

"Qualified Equity Interests" means all Equity Interests of a Person other than Disqualified Equity Interests.

"Quotation Agent" means in respect of the Euro Notes, one of the Reference German Bund Dealers selected by the Company.

"Rating Agency" means each of S&P and Moody's, or if S&P or Moody's or both shall not make a rating on the Euro Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for S&P or Moody's, or both, as the case may be.

"Ratings Decline Period" means, with respect to any Change of Control, the period that (1) begins on the earlier of (a) the date of the first public announcement of the occurrence of such Change of Control or of the intention by the Company or a stockholder of the Company, as applicable, to effect such Change of Control or (b) the occurrence of such Change of Control and (2) ends on the 60th calendar day following consummation of such Change of Control; provided, however, that such period shall be extended for so long as the rating of the Euro Notes, as noted by the applicable rating agency, is under publicly announced consideration for downgrade by the applicable rating agency.

"Reference German Bund Dealer" means any dealer of German Bundesanleihe securities selected by the Company in good faith.

"Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable German Bund Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference German Bund Dealer at 3:30 p.m., Frankfurt, Germany time, on the third Business Day preceding such redemption date.

"Related Projects" means (i) a specified project or a series of projects (e.g., a television series and subsequent seasons of such series), (ii) a project and any derivative works related to such project, and (iii) a group of projects pursuant to a commercial agreement or other arrangement (including a development, production or licensing agreement or arrangement) that provides for or includes such group of projects (e.g., a "slate").

"S&P" means S&P Global Ratings (a division of S&P Global Inc.) or any successor to the rating agency business thereof.

"Senior Officer" of any specified Person means the chief executive officer, any president, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the secretary or any assistant secretary.

"Significant Subsidiary" means any Subsidiary that is a "significant subsidiary" of the Company as defined under clauses (1) or (2) of Rule 1-02(w) of Regulation S-X under the Exchange Act.

"Subsidiary" of a Person means a corporation, partnership, limited liability company or other similar entity a majority of whose Voting Stock is owned by such Person or a Subsidiary of such Person. Unless otherwise indicated, the term "Subsidiary" refers to a Subsidiary of the Company.

"Swap Contract" means (1) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including, without limitation, any fuel price caps and fuel price collar or floor agreements and similar agreements or arrangements designed to protect against or manage fluctuations in fuel prices and any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (2) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Voting Stock" of a Person means all classes of capital stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Events of Default

Each of the following will be an event of default under the Euro Notes Indenture for the Euro Notes:

- failure by the Company to pay principal or premium, if any, on any Euro Note when due at maturity, upon redemption or otherwise (including the failure to pay the repurchase price for such Euro Notes tendered pursuant to an Offer to Purchase);

- failure by the Company to pay any interest (including Additional Interest) on any Euro Note for 30 calendar days after the interest becomes due;
- failure by the Company to comply with the notice provisions in connection with a Change of Control Triggering Event for 30 calendar days;
- failure by the Company or any of its Subsidiaries to perform, or breach by the Company or any of its Subsidiaries of, any other covenant, agreement or condition in the Euro Notes Indenture for 90 calendar days after either the trustee or holders of at least 25% in principal amount of the outstanding Euro Notes have given the Company written notice of the breach in the manner required by the Euro Notes Indenture;
- except as permitted in the Euro Notes Indenture, any Note Guarantee of any Significant Subsidiary shall for any reason cease to be, or it shall be asserted by any Guarantor or the Company not to be, in full force and effect and enforceable in accordance with its terms; and
- specified events involving bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary of the Company.

If an event of default occurs and is continuing (other than an event of default described in the last bullet point above with respect to the Company or any Guarantor that is a Significant Subsidiary), either the trustee or the holders of at least 25% in principal amount of the outstanding Euro Notes may declare the principal amount plus accrued and unpaid interest of all the Euro Notes due and immediately payable. In order to declare the principal amount and accrued and unpaid interest due and immediately payable, the trustee or such holders must deliver a notice that satisfies the requirements of the Euro Notes Indenture. Upon a declaration by the trustee or such holders, the Company will be obligated to pay the principal amount plus accrued and unpaid interest so declared due and payable.

If an event of default described in the last bullet point above occurs and is continuing with respect to the Company, then the entire principal amount plus accrued and unpaid interest of the outstanding Euro Notes will automatically become due immediately and payable without any declaration or other act on the part of the trustee or any holder of the Euro Notes.

Notwithstanding the foregoing, if the Company so elects, the sole remedy of the holders of the Euro Notes for a failure to comply with any obligations the Company may have or is deemed to have pursuant to Section 314(a)(1) of the Trust Indenture Act or to its failure to comply with the covenant described in "—Provision of Financial Information," will for the first 180 days after the occurrence of such failure consist exclusively of the right to receive Additional Interest on the Euro Notes at a rate per annum equal to 0.25% for the first 180 days after the occurrence of such failure. The Additional Interest will accrue on all outstanding Euro Notes from and including the date on which such failure first occurs until such violation is cured or waived and shall be payable on each interest payment date to holders of record on the regular record date immediately preceding the interest payment date. On the 181st day after such failure (if such violation is not cured or waived prior to such 181st day), such failure will then constitute an event of default without any further notice or lapse of time and the Euro Notes will be subject to acceleration as provided above. Unless and until a responsible officer of the trustee receives at the corporate trust office an officers' certificate stating Additional Interest is due, the trustee may assume without inquiry that no such Additional Interest is payable. The trustee shall not at any time be under any duty or responsibility to any holder of Euro Notes to determine whether any Additional Interest is payable, or with respect to the nature, extent, or calculation of any taxes or the amount of any Additional Interest are owed, or with respect to the method employed in such calculation of any Additional Interest.

However, after any declaration of acceleration of the Euro Notes or any automatic acceleration under the last bullet point above, but before a judgment or decree for payment has been obtained, the holders of a majority in principal amount of outstanding Euro Notes may rescind this accelerated payment requirement if all existing events of default, except for nonpayment of the principal and interest on the Euro Notes that has become due

solely as a result of the accelerated payment requirement, have been cured or waived and if the rescission of acceleration would not conflict with any judgment or decree. The holders of a majority in principal amount of the outstanding Euro Notes also have the right to waive past defaults, except a default in paying principal, premiums, if any, or interest on any outstanding Euro Note, or in respect of a covenant or provision that cannot be modified or amended without the consent of all holders of the Euro Notes.

If an event of default occurs and is continuing, the trustee will generally have no obligation to exercise any of its rights or powers under the Euro Notes Indenture at the request or direction of any of the holders of the Euro Notes, unless such holders offer indemnity to the trustee satisfactory to it against cost, loss, liability or expense. The holders of a majority in principal amount of the outstanding Euro Notes will generally have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee for the Euro Notes, provided that:

- the direction is not in conflict with any law or the Euro Notes Indenture;
- the trustee may take any other action it deems proper which is not inconsistent with the direction; and
- the trustee will generally have the right to decline to follow the direction if an officer of the trustee determines, in good faith, that the proceeding would involve the trustee in personal liability or would otherwise be contrary to applicable law or would be unduly prejudicial to the rights of any other holder of a Euro Note, (it being understood that the trustee shall not have an affirmative duty to ascertain whether or not any such direction is unduly prejudicial to any other holder of a Euro Notes).

A holder of any Euro Note may only pursue a remedy under the Euro Notes Indenture if:

- such holder gives the trustee written notice of a continuing event of default;
- holders of at least 25% in principal amount of the outstanding Euro Notes make a written request to the trustee to institute proceedings with respect to the event of default;
- such holders offer indemnity satisfactory to the trustee against cost, loss, liability or expense;
- such trustee fails to pursue that remedy within 60 calendar days after receipt of the notice, request and offer of indemnity; and
- during that 60 calendar day period, the holders of a majority in principal amount of the Euro Notes do not give the trustee a direction inconsistent with the request.

However, these limitations do not apply to a suit by a holder of a Euro Note demanding payment of the principal, premium, if any, or interest on a Euro Note on or after the date the payment is due.

The Company will be required to furnish to the trustee annually a statement by certain officers of the Company regarding the Company's performance or observance of any of the terms of the Euro Notes Indenture and specifying all known defaults, if any, and what actions have been taken to cure such default.

Modification and Waiver

The Company may enter into one or more supplemental indentures with the trustee without the consent of each of the holders of the Euro Notes in order to:

- evidence the succession of another corporation to the Company or successive successions and the assumption of the covenants, agreements and obligations of the Company by a successor;
- add to the covenants of the Company for the benefit of the holders of the Euro Notes or to surrender any of its rights or powers;
- add events of default for the benefit of holders of the Euro Notes;

- add to, change or eliminate any provision of the Euro Notes Indenture applying to the Euro Notes; provided that the Company deems such action necessary or advisable and that such action does not adversely affect the interests of any holder of the Euro Notes;
- evidence and provide for a successor trustee or to add to or change any provisions to the extent necessary to appoint a separate trustee for the Euro Notes;
- cure any ambiguity, defect or inconsistency under the Euro Notes Indenture, or to make other provisions with respect to matters or questions arising under the Euro Notes Indenture as evidenced by an officer's certificate;
- supplement any provisions of the Euro Notes Indenture necessary to defease and discharge the Euro Notes or the Euro Notes Indenture otherwise in accordance with the defeasance or discharge provisions, as the case may be, of the Euro Notes Indenture; provided that such action does not adversely affect the interests of the holders of any Euro Notes in any material respect;
- add to, change or eliminate any provisions of the Euro Notes Indenture in accordance with the Trust Indenture Act of 1939 or to comply with the provisions of Euroclear or Clearstream or the trustee with respect to provisions of the Euro Notes Indenture or the Euro Notes relating to transfers or exchanges of Euro Notes or beneficial interests in the Euro Notes;
- provide collateral security for the Euro Notes;
- provide for additional Guarantors in accordance with "—Guarantees" or "—Certain Covenants—Limitation on Subsidiary Debt" above or to release a Guarantor in accordance with "—Guarantees" above;
- provide for the issuance of additional Euro Notes ranking equally with the Euro Notes in all respects (other than the payment of interest accruing prior to the issue date of such additional Euro Notes or except for the first payment of interest following the issue date of such additional Euro Notes); or
- conform any provision of the Euro Notes Indenture to this "Description of Euro Notes," as evidenced in an officers' certificate.

When authorized by resolution of the Company's Board of Directors, the Company may enter into one or more supplemental indentures with the trustee in order to add to, change or eliminate provisions of the Euro Notes Indenture or to modify the rights of the holders of the Euro Notes if the Company obtains the consent of the holders of a majority in principal amount of the outstanding Euro Notes affected by the supplemental indenture. However, without the consent of the holders of each outstanding Euro Note affected by the supplemental indenture, the Company may not enter into a supplemental indenture that:

- reduces the rates of or changes the time for payment of interest on any Euro Notes;
- reduces the principal amount of, or changes the stated maturity of, any Euro Notes;
- reduces the redemption price, including upon a Change of Control Triggering Event, of any Euro Notes or amends or modifies in any manner adverse to the holders thereof the Company's obligation to make such payments;
- changes the currency of payment of principal, premium, if any, or interest on the Euro Notes;
- reduces the quorum requirements under the Euro Notes Indenture;
- reduces the percentage in principal amount of outstanding Euro Notes, the consent of whose holders is required for modification of the Euro Notes Indenture, for waiver of compliance with certain provisions of the Euro Notes Indenture, for waiver of certain defaults or consent to take any action;
- adversely affects the ranking of the Euro Notes;
- waives any default in the payment of principal, premium, if any, or interest on the Euro Notes; or
- impairs the right to institute suit for the enforcement of any payment on the Euro Notes.

Defeasance

When the Company uses the term "defeasance", the Company means discharge from some or all of its obligations under the Euro Notes Indenture and the Euro Notes. If the Company irrevocably deposits with the trustee funds or government securities sufficient in the opinion of an internationally recognized firm of independent public accountants, to make payments of all principal, premium, if any, and interest on the Euro Notes on the dates those payments are due and payable and complies with all other conditions to defeasance set forth in the Euro Notes Indenture, then, at the Company's option, either of the following will occur:

- the Company will be discharged from its obligations with respect to such Euro Notes and, except as provided below, the Euro Notes Indenture, which is referred to in this offering memorandum as "legal defeasance"; or
- the Company will no longer have any obligation to comply with the restrictive covenants under the Euro Notes Indenture and such Euro Notes (including the covenants described under "—Certain Covenants" and "—Repurchase of Euro Notes upon a Change of Control Triggering Event"), and the related events of default will no longer apply to the Company, but some of the Company's other obligations under the Euro Notes Indenture and such Euro Notes, including the obligation to make payments on those Euro Notes, will survive, which are collectively referred to in this offering memorandum as "covenant defeasance";

provided that no default with respect to the outstanding Euro Notes has occurred and is continuing at the time of such deposit after giving effect to the deposit.

If the Company legally defeases the Euro Notes and the Euro Notes Indenture, the holders of the Euro Notes affected will not be entitled to the benefits of the Euro Notes Indenture, except for:

- the rights of holders to receive principal, premium, if any, interest and the redemption price when due;
- the Company's obligation to register the transfer or exchange of Euro Notes; and
- the Company's obligation to replace mutilated, destroyed, lost or stolen Euro Notes.

The Company may legally defease the Euro Notes and the Euro Notes Indenture notwithstanding any prior exercise by the Company of its option of covenant defeasance.

Unless the Euro Notes have become due and payable or will become due and payable at maturity or upon redemption within one year and, in the case of redemption, the Company has entered into arrangements reasonably satisfactory to the trustee for the giving of notice of redemption, the Company will be required to deliver to the trustee an opinion of counsel that the deposit and related defeasance would not cause the holders of the Euro Notes to recognize gain or loss for federal income tax purposes and that such holders would be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the deposit and related defeasance had not occurred. If the Company elects legal defeasance, that opinion of counsel must be based upon a ruling from the United States Internal Revenue Service or a change in law to that effect.

Satisfaction and Discharge

The Company may discharge its obligations under the Euro Notes Indenture and the Euro Notes while Euro Notes remain outstanding if (1) all outstanding Euro Notes issued under such Euro Notes Indenture have become due and payable, (2) all outstanding Euro Notes issued under such Euro Notes Indenture have or will become due and payable at their stated maturity within one year or (3) all outstanding Euro Notes issued under such Euro Notes Indenture are subject to redemption within one year (and the Company has entered into arrangements reasonably satisfactory to the trustee for the giving of notice of redemption), and in each case, the Company has irrevocably deposited with the trustee cash in an amount sufficient to pay and discharge all outstanding Euro

Notes issued under such Euro Notes Indenture on the date of their scheduled maturity or the scheduled date of the redemption, paid all other amounts payable under such Euro Notes Indenture and delivered to the trustee all certificates and opinions required by such Euro Notes Indenture.

Book-Entry, Form, Denomination and Delivery of Euro Notes

General

Euro Notes sold within the United States to "qualified institutional buyers" in reliance on Rule 144A (the "Rule 144A Euro Notes") under the Securities Act will be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Rule 144A Euro Global Notes"). The Rule 144A Euro Global Notes will be deposited with, or on behalf of, a common depositary (the "Common Depositary") for the accounts of Euroclear Bank S.A./N.V., as operator of the Euroclear system ("Euroclear"), and Clearstream Banking, S.A. ("Clearstream") and registered in the name of the nominee of the Common Depositary.

Euro Notes sold outside the United States in reliance on Regulation S (the "Regulation S Euro Notes") under the Securities Act will be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Regulation S Euro Global Notes" and, together with the Rule 144A Euro Global Notes, the "Euro Global Notes"). The Regulation S Euro Global Notes will be deposited with, or on behalf of, the Common Depositary for the account of Euroclear and Clearstream and registered in the name of the nominee of the Common Depositary.

Except as set forth below, the Euro Notes will be issued in registered, global form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Euro Notes will be issued at the closing of this offering only against payment in immediately available funds.

Ownership of interests in the Rule 144A Euro Global Notes (the "Restricted Euro Book-Entry Interests") and in the Regulation S Euro Global Notes (the "Regulation S Euro Book-Entry Interests" and, together with the Restricted Euro Book-Entry Interests, the "Euro Book-Entry Interests") will be limited to persons that have accounts with Euroclear and/or Clearstream, or persons that hold interests through such participants. Euroclear and Clearstream will hold interests in the Euro Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, owners of beneficial interests in the Euro Global Notes will not be entitled to receive physical delivery of certificated Euro Notes.

Euro Book-Entry Interests will be shown on, and transfers thereof will be done only through, records maintained in book-entry form by Euroclear and Clearstream and their respective participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair your ability to own, transfer or pledge Euro Book-Entry Interests. In addition, while the Euro Notes are in global form, holders of Euro Book-Entry Interests will not be considered the owners or "holders" of Euro Notes for any purpose.

So long as the Euro Notes are held in global form, Euroclear and/or Clearstream (or their respective nominees), as applicable, will be considered the sole holders of Euro Global Notes for all purposes under the Euro Notes Indenture. In addition, participants in Euroclear and/or Clearstream must rely on the procedures of Euroclear and/or Clearstream, as the case may be, and indirect participants must rely on the procedures of Euroclear, Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders under the Euro Notes Indenture.

Neither we nor the trustee nor any of our or its respective agents nor the security registrar will have any responsibility or be liable for any aspect of the records relating to the Euro Book-Entry Interests.

Redemption of the Euro Global Notes

In the event any Euro Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream (or their respective nominees), as applicable, will redeem an equal amount of the Book-Entry Interests in such Euro Global Note from the amount received by it in respect of the redemption of such Euro Global Note. The Common Depositary will surrender such Euro Global Note to the security registrar for cancellation or, in the case of a partial redemption, the Common Depositary will request the security registrar or the trustee to decrease, endorse and return the applicable Euro Global Note to reflect the reduction in the principal amount of such Euro Global Note as a result of such partial redemption. The redemption price payable in connection with the redemption of such Euro Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream, as applicable, in connection with the redemption of such Euro Global Note (or any portion thereof). We understand that, under existing practices of Euroclear and Clearstream, if fewer than all of the Euro Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; provided, however, that no Euro Book-Entry Interest of less than €100,000 in principal amount may be redeemed in part.

Payments on Euro Global Notes

We will make payments of any amounts owing in respect of the Euro Global Notes (including principal, premium, if any, interest and Additional Interest, if any) to the Common Depositary or its nominee for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their customary procedures. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Euro Book-Entry Interests held through such participants.

Under the terms of the Euro Notes Indenture, we and the trustee will treat the registered holders of the Euro Global Notes (i.e., Euroclear or Clearstream (or their respective nominees)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, neither we nor the trustee nor any of our or its respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Euro Book-Entry Interest; or
- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of Euro Book-Entry Interests held through participants are the responsibility of such participants.

Currency of Payment for the Euro Global Notes

Except as may otherwise be agreed between Euroclear and/or Clearstream and any holder, the principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Euro Global Notes will be paid to holders of interests in such Euro Notes through Euroclear and/or Clearstream in euros.

Payments will be subject in all cases to any fiscal or other laws and regulations (including any regulations of the applicable clearing system) applicable thereto. Neither we nor the trustee nor the initial purchasers nor any of our or their respective agents will be liable to any holder of a Euro Global Note or any other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection with any such payment.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of Euro Notes only at the direction of one or more participants to whose account the Euro Book-Entry Interests in

the Euro Global Notes are credited and only in respect of such portion of the aggregate principal amount of Euro Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Euro Global Notes. However, if there is an event of default under the Euro Notes, each of Euroclear and Clearstream reserves the right to exchange the Euro Global Notes for definitive registered Euro Notes in certificated form (the "Definitive Registered Euro Notes"), and to distribute such Definitive Registered Euro Notes to its participants.

Transfers

Transfers of beneficial interests in the Euro Global Notes will be subject to the applicable rules and procedures of Euroclear and Clearstream and their respective direct or indirect participants, which rules and procedures may change from time to time.

Unless not required by the Euro Notes Indenture or applicable law, the Euro Global Notes will bear a legend to the effect set forth in "Transfer Restrictions" and Euro Book-Entry Interests in the Euro Global Notes will be subject to the restrictions on transfers as discussed in "Transfer Restrictions."

Euro Book-Entry Interests may be transferred only upon delivery by the transferor of a certification to the effect that such transfer is being made in accordance with the restrictions on transfers described in "Transfer Restrictions."

In connection with transfers involving an exchange of a Regulation S Euro Book-Entry Interest for a Restricted Euro Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Euro Global Note and a corresponding increase in the principal amount of the Rule 144A Euro Global Note and in connection with transfers involving an exchange of a Restricted Euro Book-Entry Interest for a Regulation S Euro Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Rule 144A Euro Global Note and a corresponding increase in the principal amount of the Regulation S Euro Global Note.

Any Euro Book-Entry Interest in one of the Euro Global Notes that is transferred to a person who takes delivery in the form of a Euro Book-Entry Interest in any other Euro Global Note will, upon transfer, cease to be a Euro Book-Entry Interest in the first mentioned Euro Global Note and become a Euro Book-Entry Interest in such other Euro Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Euro Book-Entry Interests in such other Euro Global Note for as long as it remains such a Euro Book-Entry Interest.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Euro Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. Neither we, the trustee, the paying agent nor any of our or their respective agents will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Definitive Registered Euro Notes

Under the terms of the Euro Notes Indenture, owners of Euro Book-Entry Interests will receive Definitive Registered Euro Notes if:

- Euroclear or Clearstream notifies us that it is unwilling or unable to continue as depositary for the Euro Global Notes, and we fail to appoint a successor within 120 days;

- Euroclear or Clearstream so requests following an event of default under the Euro Notes Indenture; or
- the owner of a Euro Book-Entry Interest requests such exchange in writing delivered through either Euroclear or Clearstream, as applicable, following an event of default under the Euro Notes Indenture.

Euroclear has advised us that upon request by an owner of a Euro Book-Entry Interest, its current procedure is to request that we issue or cause to be issued Euro Notes in definitive registered form to all owners of Euro Book-Entry Interests.

In such an event, the security registrar will issue Definitive Registered Euro Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Euro Book-Entry Interests), and such Definitive Registered Euro Notes will bear the restrictive legend set forth in "Transfer Restrictions," unless that legend is not required by the Euro Notes Indenture or applicable law.

To the extent permitted by law, we, the trustee, the paying agent for the Euro Notes and the security registrar for the Euro Notes shall be entitled to treat the registered holder of any Euro Global Note as the absolute owner thereof.

In the case of the issuance of Definitive Registered Euro Notes, the holder of a Definitive Registered Euro Note may transfer such Euro Note by surrendering it to the security registrar for the Euro Notes. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Euro Notes represented by one Definitive Registered Euro Note, a Definitive Registered Euro Note will be issued to the transferee in respect of the part transferred, and a new Definitive Registered Euro Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; provided that no Definitive Registered Euro Note in a denomination less than €100,000 and in integral multiples of €1,000, in excess thereof, will be issued. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Euro Notes. Holders of the Book-Entry Euro Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream.

If Definitive Registered Euro Notes are issued and a holder thereof claims that such Definitive Registered Euro Notes have been lost, destroyed or wrongfully taken or if such Definitive Registered Euro Notes are mutilated and are surrendered to the security registrar for the Euro Notes, we will issue and the trustee will authenticate a replacement Definitive Registered Euro Note if the trustee's and our requirements are met. We or the trustee may require a holder requesting replacement of a Definitive Registered Euro Note to furnish an indemnity bond sufficient in the judgment of both the trustee and us to protect us, the trustee or the paying agent appointed pursuant to the Euro Notes Indenture from any loss which any of them may suffer if a Definitive Registered Euro Note is replaced. We may charge for the expenses of replacing a Definitive Registered Euro Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Euro Note has become or is about to become due and payable, or is about to be redeemed or purchased by us pursuant to the provisions of the Euro Notes Indenture, we in our discretion may, instead of issuing a new Definitive Registered Euro Note, pay, redeem or purchase such Definitive Registered Euro Note, as the case may be.

Definitive Registered Euro Notes may be transferred and exchanged for Euro Book-Entry Interests in a Euro Global Note only in accordance with the Euro Notes Indenture and, if required, only after the transferor first delivers to the security registrar for the Euro Notes a written certification to the effect that such transfer will comply with the transfer restrictions applicable to such Euro Notes. See "Transfer Restrictions."

Global Clearance and Settlement Under the Book-Entry System

Initial Settlement

Initial settlement for the Euro Notes will be made in euros. Euro Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Euro Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value of the settlement date.

Secondary Market Trading

The Euro Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Euro Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Special Timing Considerations

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving Euro Notes through Euroclear or Clearstream on days when those systems are open for business.

In addition, because of time-zone differences, there may be complications with completing transactions involving Clearstream and/or Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the Euro Notes, or to receive or make a payment or delivery of Euro Notes, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg if Clearstream is used, or Brussels if Euroclear is used.

Clearing Information

We expect that the Euro Notes will be accepted for clearance through the facilities of Euroclear and Clearstream.

Information Concerning Euroclear and Clearstream

The following description of the operations and procedures of Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we nor the initial purchasers take any responsibility for these operations and procedures and we urge investors to contact the systems or their participants directly to discuss these matters.

We understand as follows with respect to Euroclear and Clearstream:

Euroclear and Clearstream hold securities for participating organisations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream also interface with domestic securities markets in several countries. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Euroclear and Clearstream have no record of or relationship with persons holding through their account holders. Since Euroclear and Clearstream only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definite certificate for that interest. We understand that, under existing industry practices, if either the Issuer or the trustee requests any action by owners of Euro Book-Entry Interests or if an owner of a Euro Book-Entry Interest desires to give or take any action that a holder is entitled to give or take under the Euro Notes Indenture, Euroclear and Clearstream would authorise participants owning the relevant Euro Book-Entry Interest to give or take such action, and such participants would authorise indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the Rule 144A Euro Global Notes only through Euroclear or Clearstream participants.

Notices

Notices regarding the Euro Notes will be mailed or sent to Holders of Euro Notes or published through the newswire service of Bloomberg or, if Bloomberg does not then operate, any similar agency.

Title

The Company may treat the Person in whose name a Euro Note is registered on the applicable record date as the owner of the Euro Note for all purposes, whether or not it is overdue.

Governing Law

New York law will govern the Euro Notes Indenture and the Euro Notes, without regard to conflicts of law principles thereof.

Regarding the Trustee

Wells Fargo Bank, National Association will act as trustee under the Euro Notes Indenture. The Company maintains various commercial and service relationships with the trustee and its affiliates in the ordinary course of business. In particular, affiliates of the trustee provide services to the Company and its affiliates.

If an event of default occurs under the Euro Notes Indenture and is continuing, the trustee will be required to use the degree of care and skill of a prudent Person under the circumstances in the conduct of that Person's own affairs. The trustee will become obligated to exercise any of its powers under the Euro Notes Indenture at the request of any of the holders of the Euro Notes only after those holders have offered the trustee indemnity satisfactory to it.

If the trustee becomes a creditor of the Company, the trustee's rights to obtain payment of claims in specified circumstances, or to realize for its own account on certain property received in respect of any such claim as security or otherwise will be limited under the terms of the Euro Notes Indenture. The trustee may engage in certain other transactions; however, if the trustee acquires any conflicting interest (within the meaning specified under the Trust Indenture Act), it will be required to eliminate the conflict or resign.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

This section is a discussion of certain U.S. federal income tax considerations relating to the purchase, ownership, and disposition of the notes. This summary does not provide a complete analysis of all potential tax considerations. The information provided below is based on the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury regulations, rulings and judicial decisions as of the date hereof, all of which are subject to change or differing interpretations, possibly with retroactive effect. There can be no assurances that the Internal Revenue Service (the "IRS") will not challenge one or more of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax consequences of purchasing, owning or disposing of the notes.

The summary generally applies only to beneficial owners of the notes that purchase their notes in this offering for an amount equal to the issue price of the notes, which is the first price at which a substantial amount of the notes is sold for money to investors (not including sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers), and that hold the notes as "capital assets" within the meaning of Section 1221 of the Code (generally, for investment). This discussion does not purport to deal with all aspects of U.S. federal income taxation that may be relevant to a particular beneficial owner in light of the beneficial owner's circumstances (for example, persons subject to the alternative minimum tax provisions of the Code, or a U.S. holder (as defined below) whose "functional currency" is not the U.S. dollar). Also, it is not intended to address all categories of investors, some of which may be subject to special rules (such as partnerships or other pass-through entities (or investors in such entities), dealers in securities or currencies, traders in securities that elect to use a mark-to-market method of tax accounting, banks, thrifts, regulated investment companies, real estate investment trusts, insurance companies, tax-exempt entities, tax-deferred or other retirement accounts, certain former citizens or long-term residents of the United States, controlled foreign corporations, passive foreign investment companies, persons holding notes as part of a hedging, conversion or integrated transaction or a straddle for U.S. federal income tax purposes, persons deemed to sell notes under the constructive sale provisions of the Code or persons required under Section 451(b) of the Code to conform the timing of income accruals with respect to the notes to their financial statements). Finally, the summary does not describe the effects of any other U.S. federal tax laws such as the Medicare contribution tax on net investment income or estate and gift tax laws or the effects of any applicable non-U.S., state or local laws.

INVESTORS CONSIDERING THE PURCHASE OF NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE CONSEQUENCES OF OTHER U.S. FEDERAL TAX LAWS, NON-U.S., STATE AND LOCAL TAX LAWS, AND TAX TREATIES.

As used herein, the term "U.S. holder" means a beneficial owner of a note that, for U.S. federal income tax purposes, is (1) an individual who is a citizen or resident of the United States, (2) a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust if it (x) is subject to the primary supervision of a U.S. court and the control of one of more U.S. persons or (y) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

A "non-U.S. holder" is a beneficial owner of a note (other than a partnership or an entity or arrangement (domestic or foreign) that is treated as a partnership for U.S. federal income tax purposes) that is not a U.S. holder. If a partnership (including any entity or arrangement (domestic or foreign) that is treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of a note, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. A beneficial owner of a note that is a partnership, and partners in such partnership, should consult their own tax advisors about the U.S. federal income tax consequences of purchasing, owning and disposing of the notes.

Additional Payments

We may be required under certain circumstances to make payments to holders of the notes in addition to payments of principal and stated interest. The obligation to make such payments may implicate the provisions of the Treasury regulations relating to contingent payment debt instruments ("CPDIs"). Under applicable Treasury regulations, the possibility of such additional amounts being paid will not cause the notes to be treated as CPDIs if either: (i) such amounts would be paid pursuant to an option of the issuer that would cause the yield on the notes to increase, or (ii) as of the issue date of the notes, there is only a remote likelihood that these contingencies will occur or the amount of any additional payments under such contingencies is considered to be "incidental." We intend to take the position that: (i) the contingencies described under "Description of Dollar Notes—Optional Redemption" and "Description of Euro Notes—Optional Redemption" each relate to an option the exercise of which by us would cause the yield on the respective notes to increase, and (ii) there is only a remote possibility that we would be required to make any other additional payments on the notes, such as those described under "Description of Dollar Notes—Repurchase of Notes upon a Change of Control Triggering Event," "Description of Euro Notes—Repurchase of Notes upon a Change of Control Triggering Event," "Description of Dollar Notes—Events of Default," and "Description of Euro Notes—Events of Default," and/or that any of such additional payments, if made, would be an incidental amount. Therefore, we do not intend to treat the notes as subject to the special rules governing certain CPDIs. Our determination in this regard, while not binding on the IRS, is binding on holders unless they disclose their contrary position. If the IRS successfully asserted that the notes are subject to the rules governing CPDIs, the timing, amount and character of income with respect to a note realized by a holder could be materially and adversely different from those described below. In the event a contingency occurs, it could affect the amount, character and timing of the income recognized by a holder. The discussion below generally assumes that the notes are not treated as CPDIs.

U.S. Holders

Taxation of Interest

A U.S. holder will be required to recognize as ordinary income any stated interest paid or accrued on the notes, in accordance with such holder's regular method of tax accounting.

In general, if the principal amount of a note exceeds its issue price by more than a statutorily defined de minimis amount, a U.S. holder would be required to include such excess in income as "original issue discount" over the term of the note, irrespective of the U.S. holder's regular method of tax accounting. We expect, and the discussion below assumes, that the notes will not be issued with original issue discount for U.S. federal income tax purposes.

A U.S. holder who uses the cash method of accounting for U.S. federal income tax purposes and who receives a payment of stated interest in euros (including a payment attributable to accrued but unpaid stated interest upon the sale, exchange, redemption, retirement or other taxable disposition of a note) will be required to include in income the U.S. dollar value of the euro payment received (determined based on the spot rate of exchange on the date the payment is received), regardless of whether the payment is in fact converted to U.S. dollars at that time. A cash method U.S. holder will not realize foreign currency exchange gain or loss on the receipt of stated interest income but may recognize exchange gain or loss attributable to the actual disposition of the euros received.

A U.S. holder who uses the accrual method of accounting for U.S. federal income tax purposes will accrue euro denominated stated interest income in euros and translate that amount into U.S. dollars based on the average rate of exchange in effect for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate of exchange for the partial period within the applicable taxable year. Alternatively, an accrual method U.S. holder may elect to translate stated interest income received in euros into U.S. dollars at the spot rate of exchange on the last day of the interest accrual period (or, in the case of a partial accrual period, the spot rate of exchange on the last day of such partial accrual period) or, if the date of receipt is within five business

days of the last day of the interest accrual period, the spot rate of exchange on the date of receipt. A U.S. holder that makes this election must apply it consistently to all debt instruments held by the U.S. holder from year to year and cannot change the election without the consent of the IRS.

A U.S. holder who uses the accrual method of accounting for U.S. federal income tax purposes will recognize foreign currency exchange gain or loss with respect to accrued euro denominated stated interest income on the date the interest payment (or proceeds from a sale, exchange, redemption, retirement or other taxable disposition attributable to accrued but unpaid stated interest) is actually received. The amount of foreign currency exchange gain or loss recognized will equal the difference between the U.S. dollar value of the euro payment received (determined based on the spot rate of exchange on the date the payment is received) in respect of the accrual period and the U.S. dollar value of stated interest income that has accrued during the accrual period (as determined above), regardless of whether the payment is in fact converted to U.S. dollars. In general, this foreign currency gain or loss will be treated, for U.S. foreign tax credit purposes, as U.S.-source ordinary income or loss, and will not be treated as an adjustment to interest income or expense.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of the Notes

A U.S. holder generally will recognize gain or loss if the holder disposes of a note in a sale, exchange, redemption, retirement or other taxable disposition, including discharges and certain legal defeasances of the notes within one year of maturity or redemption, as described under "Description of Dollar Notes—Defeasance," "Description of Euro Notes—Defeasance," "Description of Dollar Notes—Satisfaction and Discharge," and "Description of Euro Notes—Satisfaction and Discharge" above. The U.S. holder's gain or loss generally will equal the difference between the proceeds received by the holder (other than amounts attributable to accrued but unpaid interest, which will be taxed as described below) and the holder's tax basis in the note. The U.S. holder's tax basis in the note generally will equal the amount the holder paid for the note. The portion of any proceeds that is attributable to accrued interest will not be taken into account in computing the U.S. holder's gain or loss. Instead, that portion will be recognized as ordinary interest income to the extent that the U.S. holder has not previously included the accrued interest in income. Any gain or loss recognized by a U.S. holder on a disposition of the note generally will be capital gain or loss and generally will be long-term capital gain or loss if the holder has held the note for more than one year, or short-term capital gain or loss if the holder has held the note for one year or less, at the time of the disposition. Long-term capital gains of non-corporate U.S. holders generally are eligible for reduced rates of taxation. Short-term capital gains are taxed at ordinary income rates. The deductibility of capital losses is subject to limitation.

Additional Considerations with Respect to Euro Denominated Purchase or Disposition of the Notes

If a U.S. holder uses euros to purchase a note, the U.S. holder's tax basis in the note generally will be the U.S. dollar value of the euros paid for the note, determined at the spot rate of exchange on the date of purchase (which generally should be the closing date). The conversion of U.S. dollars to euros and the immediate use of that currency to purchase a note generally will not result in taxable gain or loss for a U.S. holder. A U.S. holder who purchases notes with previously owned euros will generally recognize ordinary income in an amount equal to the difference, if any, between the U.S. holder's tax basis in the euros and the U.S. dollar value of the notes on the date of purchase.

If a U.S. holder receives euros on a sale, exchange, redemption, retirement or other taxable disposition of a note, the amount realized generally will be based on the U.S. dollar value of such foreign currency, translated at the spot rate of exchange on the date payment is received or the note is disposed of. In the case of a note that is considered to be traded on an established securities market, a cash basis U.S. holder and, if it so elects, an accrual basis U.S. holder, will determine the U.S. dollar value of such foreign currency by translating such amount at the spot rate of exchange on the settlement date of the disposition. The special election available to accrual basis U.S. holders in regard to the disposition of notes traded on an established securities market must be applied consistently to all debt instruments held by the U.S. holder and cannot be changed without the consent of the

IRS. If the notes are not traded on an established securities market (or the relevant holder is an accrual basis U.S. holder that does not make the special settlement date election), a U.S. holder will recognize exchange gain or loss to the extent that there are exchange rate fluctuations between the disposition date and the settlement date, and such gain or loss generally will constitute U.S. source ordinary income or loss.

Gain or loss realized upon the sale, exchange, redemption, retirement or other taxable disposition of a note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss not treated as interest income or expense. Gain or loss attributable to fluctuations in currency exchange rates generally will equal the difference, if any, between (i) the U.S. dollar value of the purchase price for the note, determined at the spot rate of exchange on the date the note is disposed of, and (ii) the U.S. dollar value of the purchase price for the note, determined at the spot rate of exchange on the date the note was acquired (or, in each case, determined on the settlement date if the notes are traded on an established securities market and the holder is either a cash basis or an electing accrual basis holder). Payments received that are attributable to accrued interest will be treated in accordance with the rules applicable to payments of stated interest described above. Any foreign currency exchange gain or loss (including with respect to accrued interest) will be recognized only to the extent of the total gain or loss realized by a U.S. holder on the redemption, sale, exchange or other taxable disposition of the note. Generally, the foreign currency exchange gain or loss will be U.S.-source ordinary income or loss for U.S. foreign tax credit purposes.

Exchange of Foreign Currencies

A U.S. holder's tax basis in any euros received as interest or on the sale, exchange, redemption, retirement or other taxable disposition of a note will be the U.S. dollar value of such note at the spot rate of exchange in effect on the date of receipt of the euros. Any gain or loss recognized by a U.S. holder on the sale, exchange, redemption, retirement or other taxable disposition of the euros will be ordinary income or loss and generally will be U.S.-source income or loss not treated as interest income or expense for U.S. foreign tax credit purposes.

Tax Return Disclosure Requirements

U.S. Treasury regulations that are intended to require the reporting of certain tax shelter transactions cover certain transactions generally not regarded as tax shelters, including certain foreign currency transactions giving rise to losses in excess of certain thresholds, which thresholds are, in the case of individuals and trusts, significantly lower for foreign currency losses than for other loss transactions. U.S. holders should consult their tax advisors to determine the tax return disclosure obligations, if any, with respect to an investment in the notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Non-U.S. Holders

Taxation of Interest

Subject to the discussion below under "—Income or Gains Effectively Connected with a U.S. Trade or Business," payments of interest to non-U.S. holders are generally subject to U.S. federal withholding tax at a rate of 30% (or a reduced or zero rate under the terms of an applicable income tax treaty between the United States and the non-U.S. holder's country of residence). Subject to the discussions below under "—Backup Withholding and Information Reporting" and "—FATCA," payments of interest on the notes to most non-U.S. holders, however, will qualify as "portfolio interest," and thus will be exempt from U.S. federal income tax, including withholding of such tax, if the non-U.S. holders certify their nonresident status as described below. The portfolio interest exemption will not apply to payments of interest to a non-U.S. holder that:

- owns, actually or constructively (applying certain attribution rules), shares of our stock representing at least 10% of the total combined voting power of all classes of our stock entitled to vote; or
- is a "controlled foreign corporation" within the meaning of Section 957(a) of the Code that is related, directly or indirectly, to us through sufficient stock ownership.

In general, a foreign corporation is a controlled foreign corporation if more than 50% of its stock (by vote or value) is owned, actually or constructively, by one or more U.S. persons that each owns, actually or constructively, at least 10% of the corporation's stock (by vote or value).

The portfolio interest exemption and any reduction of the withholding tax rate pursuant to the terms of an applicable income tax treaty require a non-U.S. holder to certify its nonresident status. A non-U.S. holder can meet this certification requirement by providing a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate IRS Form W-8 to us or our paying agent prior to the payment. If the non-U.S. holder holds the note through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent. The non-U.S. holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. Special certification rules apply to non-U.S. holders that are pass-through entities rather than corporations or individuals.

Sale, Exchange, Redemption, Retirement or Other Disposition of the Notes

Subject to the discussion below under "—Backup Withholding and Information Reporting," non-U.S. holders generally will not be subject to U.S. federal income or withholding tax on any gain realized on the sale, exchange, redemption, retirement or other disposition of notes (other than with respect to payments attributable to accrued but unpaid interest, which will be taxed as described under "—Taxation of Interest" above). This general rule, however, is subject to several exceptions. For example, the gain would be subject to U.S. federal income tax if:

- the gain is effectively connected with the conduct by the non-U.S. holder of a U.S. trade or business (and, generally, if an income tax treaty applies, the gain is attributable to a U.S. permanent establishment or fixed base maintained by the non-U.S. holder in the United States), in which case it would be subject to tax as described below under "—Income or Gains Effectively Connected with a U.S. Trade or Business"; or
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the year of the disposition and certain other conditions apply, in which case, except as otherwise provided by an applicable income tax treaty, the gain, which may be offset by certain U.S. source capital losses, would be subject to a flat 30% tax, even though the individual is not considered a resident of the United States.

Income or Gains Effectively Connected with a U.S. Trade or Business

The preceding discussion of the U.S. federal income and withholding tax considerations of the purchase, ownership and disposition of notes by a non-U.S. holder assumes that the holder is not engaged in a U.S. trade or business. If any interest on the notes or gain from the sale, exchange, redemption, retirement or other disposition of the notes is effectively connected with a U.S. trade or business conducted by the non-U.S. holder, then the income or gain will be subject to U.S. federal income tax on a net income basis at the regular tax rates and generally in the same manner applicable to U.S. holders. If the non-U.S. holder is eligible for the benefits of a tax treaty between the United States and the holder's country of residence, any "effectively connected" income or gain generally will be subject to U.S. federal income tax only if it is also attributable to a permanent establishment or fixed base maintained by the holder in the United States. If the non-U.S. holder is a corporation (including for this purpose any entity treated as a corporation for U.S. federal income tax purposes), some portion of its earnings and profits that is effectively connected with its U.S. trade or business also would be subject to a "branch profits tax." The branch profits tax rate is generally 30%, although an applicable income tax treaty might provide for a lower rate. Payments of interest that are effectively connected with a U.S. trade or business generally will not be subject to the 30% withholding tax, provided that the holder claims an exemption from withholding by timely filing a properly completed and executed IRS Form W-8ECI (or other appropriate form), or any successor form as the IRS designates, as applicable, prior to the payment.

FATCA

FATCA generally imposes U.S. federal withholding tax on certain types of payments made to "foreign financial institutions" and certain other "non-financial foreign entities," each as specifically defined in the Code and applicable Treasury regulations. "Foreign financial institution" is defined to include, in addition to banks and traditional financial institutions, entities such as investment funds and certain holding companies. Accordingly, the entity through which our notes are held will affect the determination of whether such withholding is required. FATCA generally imposes a U.S. federal withholding tax of 30% on interest payments on a note, and, subject to the discussion below, on the gross proceeds from a disposition of a note, in each case, paid to (i) a foreign financial institution that does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement between the holder's country of residence and the United States) in a manner that avoids withholding, or (ii) a non-financial foreign entity that does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) adequate information regarding certain substantial United States beneficial owners of such entity (if any). Under proposed Treasury regulations, which generally may be relied upon until final regulations are issued, the withholding provisions of FATCA do not apply to payments of gross proceeds from a disposition of a note. If an interest payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Non-U.S. Holders—Taxation of Interest," the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. Prospective investors should consult their tax advisors regarding FATCA.

Backup Withholding and Information Reporting

The Code and the Treasury regulations require those who make specified payments to report the payments to the IRS. Among the specified payments are interest and proceeds from a sale or other disposition of the notes paid by brokers to their customers. This reporting regime is reinforced by "backup withholding" rules, which require the payer to withhold from payments subject to information reporting if the recipient has failed to provide a correct taxpayer identification number to the payer, furnished an incorrect identification number, or repeatedly failed to report interest or dividends on tax returns. The backup withholding rate is currently 24%.

Payments of interest to U.S. holders and payments made to U.S. holders by a broker upon a sale or other disposition of the notes generally will be subject to information reporting, and generally will be subject to backup withholding, unless the holder (1) is an exempt payee, such as a corporation, or (2) provides the payer with a correct taxpayer identification number and complies with applicable certification requirements. If a sale is made through a foreign office of a foreign broker, however, the sale will generally not be subject to either information reporting or backup withholding. This exception may not apply if the foreign broker is owned or controlled by U.S. persons, or is engaged in a U.S. trade or business.

We must report annually to the IRS the interest paid to each non-U.S. holder and the tax withheld, if any, with respect to such interest, including any tax withheld pursuant to the rules described under "—Non-U.S. Holders—Taxation of Interest" above. Copies of these reports may be made available to tax authorities in the country where the non-U.S. holder resides. Payments to non-U.S. holders of interest on the notes and payments made to non-U.S. holders by a broker upon a sale or other disposition (including a retirement or redemption) of the notes may be subject to backup withholding unless the non-U.S. holder certifies its non-U.S. status on a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate IRS Form W-8.

Any amounts withheld from a payment to a U.S. holder or non-U.S. holder of notes under the backup withholding rules generally can be credited against any U.S. federal income tax liability of the holder, provided the required information is timely furnished to the IRS.

TRANSFER RESTRICTIONS

Each purchaser of notes, by its acceptance thereof, will be deemed to have acknowledged, represented to, warranted and agreed with the issuer and the initial purchasers as follows:

(1) The notes are being offered for resale in a transaction not involving any public offering in the United States within the meaning of the Securities Act. The offering and sale of the notes have not been and will not be registered under the Securities Act or registered under any U.S. or other securities laws and they are being offered for resale in transactions not requiring registration under the Securities Act. The notes may not be reoffered, resold, pledged or otherwise transferred except:

(a) to a person whom the seller reasonably believes is a qualified institutional buyer (as defined in Rule 144 under the Securities Act) (a "QIB"), purchasing for its account or for the account of a QIB in a transaction meeting the requirements of Rule 144A;

(b) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S;

(c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);

(d) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel acceptable to the issuer and the trustee, to that effect);

(e) to the issuer or any of its subsidiaries; or

(f) pursuant to an effective registration statement under the Securities Act,

and, in each case, in accordance with all applicable U.S. state securities laws or any other applicable jurisdiction.

The purchaser will, and each subsequent holder is required to, notify any subsequent purchaser from it of the resale restrictions set forth in the preceding sentence. No representation is being made as to the availability of the exemption provided by Rule 144 for resale of the notes.

(2) It is not an "affiliate" (as defined in Rule 144 under the Securities Act) of the issuer, it is not acting on behalf of the issuer and it is either:

(a) a QIB within the meaning of Rule 144A promulgated under the Securities Act and is aware that any sale of notes to it will be made in reliance on Rule 144A. Such acquisition will be for its own account or for the account of another QIB; or

(b) a person that, at the time the buy order for the notes was originated, was outside the United States and was not a U.S. person (and was not purchasing for the account or benefit of a U.S. person) within the meaning of Regulation S under the Securities Act.

(3) It is relying on the information contained in this offering memorandum in making its investment decision with respect to the notes. It acknowledges that no representation or warranty is made by the initial purchasers as to the accuracy or completeness of such materials. It further acknowledges that none of the issuer or the initial purchasers or any person representing the issuer or the initial purchasers has made any representation to it with respect to the issuer or the offering or sale of any notes other than the information contained in this offering memorandum. It has had access to such financial and other information concerning the issuer and the notes as it has deemed necessary in connection with its decision to purchase any of the notes, including an opportunity to ask questions of and request information from the issuer and the initial purchasers.

(4) The purchaser understands that the notes will bear a legend to the following effect unless otherwise agreed by the issuer and the holder thereof.

"THE OFFERING AND SALE OF THIS NOTE (OR ITS PREDECESSOR) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE NEXT SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER:

(1) REPRESENTS THAT IT IS NOT AN "AFFILIATE" (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF NETFLIX, INC. AND (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A "QIB"), OR (B) IT HAS ACQUIRED THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT;

(2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN EXCEPT (A) TO NETFLIX, INC. OR ANY OF ITS SUBSIDIARIES, (B) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT, (D) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (E) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE TRUSTEE) OR (F) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION; AND

(3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTIONS" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING."

(5) If it is a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, it acknowledges that until the expiration of the 40-day distribution compliance period within the meaning of Rule 903 of Regulation S, any offer or sale of the notes shall not be made by it to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rule 902(k) of the Securities Act except in accordance with Regulation S.

(6) By acceptance of a note, each purchaser and subsequent transferee shall be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or such subsequent transferee to acquire or hold the notes constitutes assets of any employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), any plan, account or other arrangement subject to Section 4975 of the Code, or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), or any entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement or (ii) the purchase and holding of the dollar notes by such purchaser or subsequent transferee will not constitute or

result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Laws, none of the issuer, the initial purchasers and their respective affiliates (the "Transaction Parties") is acting as a fiduciary of such purchaser or transferee with respect to the decision to purchase or acquire the note.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain restrictions on pension, profit-sharing and other employee benefit plans that are subject to Title I of ERISA ("ERISA Plans") and on persons who are fiduciaries with respect to such ERISA Plans. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to an ERISA Plan who is considering an investment in the notes of a portion of the assets of any ERISA Plan should determine whether the investment is in accordance with the documents and instruments governing the ERISA Plan and the applicable provisions of ERISA relating to a fiduciary's duties to the plan including, without limitation, ERISA's prudence and diversification requirements.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA plans and other plans subject to Section 4975 of the Code (collectively, the "Plans") from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest", within the meaning of ERISA, or "disqualified persons", within the meaning of Section 4975 of the Code, unless an exemption is available, any such transaction being referred to herein as a prohibited transaction. Persons engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. The acquisition, holding and/or disposition of the notes by a Plan with respect to which the issuer, the initial purchasers, or the subsidiary guarantors is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "PTCEs", that may apply to the acquisition and holding of the notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, statutory exemptions may be available, including the service provider exemption provided by Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code, which applies to certain transactions if the party in interest has such status solely due to its (or an affiliate's) provision of services to the Plan and specified conditions are satisfied.

Representation

To address the above concerns, the notes may not be purchased by or transferred to any investor unless such investor makes the representations contained in paragraph 6 of the "Transfer Restrictions," which are designed to ensure that the acquisition of the notes will not constitute or result in a non-exempt prohibited transaction under ERISA or the Code or a violation under any applicable Similar Laws and that the investor is not relying on any of the Transaction Parties as a fiduciary in connection with the purchase or holding of the notes.

Each purchaser and holder of the notes has exclusive responsibility for ensuring that its purchase, holding and/or disposition of the notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or Similar Laws. The sale of any notes is in no respect a representation by the issuer, the initial purchasers or any of their respective affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any Plan. Furthermore, none of the Transaction Parties is acting as a fiduciary to any Plan or other investor, nor undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, with respect to the decision to purchase or hold the notes.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in nonexempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the notes (and holding the notes) on behalf of, or with the assets of, any plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the notes.

PLAN OF DISTRIBUTION

Morgan Stanley & Co. LLC is acting as representative of each of the dollar initial purchasers named below and Morgan Stanley & Co. International plc is acting as representative of each of the euro initial purchasers named below. Under the terms and subject to the conditions contained in the purchase agreements dated as of the date of this offering memorandum, each initial purchaser has severally agreed to purchase, and the issuer has agreed to sell to them, severally, the following principal amount of notes set forth opposite its name below:

Dollar Initial Purchasers	Principal Amount of Dollar Notes
Morgan Stanley & Co. LLC	$ 350,000,000
Goldman Sachs & Co. LLC	220,000,000
J.P. Morgan Securities LLC	150,000,000
Deutsche Bank Securities Inc.	150,000,000
Wells Fargo Securities, LLC	130,000,000
Total	$1,000,000,000

Euro Initial Purchasers	Principal Amount of Euro Notes
Morgan Stanley & Co. International plc	€ 385,000,000
Goldman Sachs & Co. LLC	242,000,000
J.P. Morgan Securities plc	165,000,000
Deutsche Bank AG, London Branch.	165,000,000
Wells Fargo Securities International Limited	143,000,000
Total	€1,100,000,000

The purchase agreements provide that the obligations of the respective initial purchasers to purchase the respective notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The dollar initial purchasers are obligated to purchase all the dollar notes if they purchase any of the dollar notes. The euro initial purchasers are obligated to purchase all the euro notes if they purchase any of the euro notes. The purchase agreements also provide that if an initial purchaser defaults, the purchase commitments of the non-defaulting initial purchasers of such notes may also be increased or the offering of such notes may be terminated. The initial purchasers may offer and sell notes through certain of their affiliates.

We have agreed to indemnify the several initial purchasers against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the initial purchasers may be required to make in respect of those liabilities.

The initial purchasers will receive customary commissions and discounts under the respective purchase agreement upon the consummation of the offering of the respective notes pursuant to this offering memorandum.

We have been advised that the respective initial purchasers propose to resell the respective notes at the offering prices set forth on the cover page of this offering memorandum within the United States to persons they reasonably believe to be qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the United States in reliance on Regulation S. See “Transfer Restrictions.” The prices at which the notes are offered may be changed at any time without notice. The offering of the notes by the initial purchasers is subject to receipt and acceptance and subject to the initial purchasers’ right to reject any order in whole or in part.

The offer and sale of notes have not been registered under the Securities Act or any state securities laws and the notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See “Transfer Restrictions.”

Accordingly, in connection with sales outside the United States, each initial purchaser has agreed that, except as permitted by the applicable purchase agreement and set forth in "Transfer Restrictions," it will not offer or sell the respective notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of this offering and the closing date, and it will have sent to each dealer to which it sells notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of this offering, an offer or sale of notes within the United States by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each series of notes will constitute a new class of securities with no established trading market. In the case of the dollar notes, we do not intend to list the notes on any national securities exchange. In the case of euro notes, an application has been made to the Authority for such notes to be admitted to the Official List for trading on the Exchange. The issuer can provide no assurance that such application will be successful or that the euro notes will be admitted to the Official List and to trading on the Exchange. Consummation of the offering of the euro notes is not contingent upon obtaining such admission to the Official List or to trading on the Exchange. At this time an initial application had been made to the Authority for a preliminary review of the suitability of the notes for listing under chapters 5-7 of the listing rules. We cannot assure you that the prices at which the notes will sell in the market after this offering will not be lower than their respective initial offering price or that an active trading market for the notes will develop and continue after this offering. The euro initial purchasers have advised us that they currently intend to make a market in the euro notes, and the dollar initial purchasers have advised us that they currently intend to make a market in the dollar notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, we cannot assure you as to the liquidity of or the trading market for the notes.

In connection with the offering, Morgan Stanley & Co. LLC, on behalf of the dollar initial purchasers, and Morgan Stanley & Co. International plc, on behalf of the euro initial purchasers, may purchase and sell the respective notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the initial purchasers in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The initial purchasers may conduct these transactions in the over-the-counter market or otherwise. If the initial purchasers commence any of these transactions, they may discontinue them at any time.

We expect that delivery of the notes will be made to investors on or about October 25, 2019, which will be the third business day following the date of this offering memorandum (such settlement being referred to as T+3). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes more than two business days prior to October 25, 2019 will be required, by virtue of the fact that the notes initially settle in T+3, to specify an alternate settlement arrangement to prevent a failed settlement. Purchasers of the notes who wish to trade the notes prior to their date of delivery hereunder should consult their advisors.

We have agreed in the purchase agreements for each series of notes, that we will not, for a period of 90 days after the date of this offering memorandum (other than with respect to the notes sold to the initial purchasers pursuant to the purchase agreements), without first obtaining the prior written consent of Morgan Stanley & Co. LLC, with respect to the dollar notes, and Morgan Stanley & Co. International plc, with respect to the euro notes, directly or indirectly, sell, offer, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the issuer and having a tenor of more than one year.

Relationships

The initial purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Some of the initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. Additionally, affiliates of certain of the initial purchasers are lenders and/or agents under our Revolving Credit Facility.

In the ordinary course of their various business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. For instance, certain of the initial purchasers or their affiliates may hold positions in our Existing Senior Notes. If the initial purchasers or their affiliates have a lending relationship with us, certain of the initial purchasers or their affiliates routinely hedge, and certain other of the initial purchasers or their affiliates may hedge, their exposure to us consistent with their customary risk management policies. Typically, the initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The initial purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

PRIIPs Regulation / Prohibition of Sales to European Economic Area Retail Investors

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This offering memorandum has been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Regulation.

MIFID II Product Governance/Professional Investors and ECPs Only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

United Kingdom

This offering memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of the notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Recipients of this offering memorandum are not permitted to transmit it to any other person. The notes are not being offered to the public in the United Kingdom.

Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the

document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 except: (a) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, (b) where no consideration is given for the transfer or (c) by operation of law.

In connection with Section 309B of the SFA and the Capital Markets Products (the "CMP") Regulations 2018, the notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in Monetary Authority of Singapore Notice SFA 04-N12: Notice on the Sale of Investment Products and Monetary Authority of Singapore Notice FAA-N16: Notice on Recommendations on Investment Products).

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "Financial Instruments and Exchange Law") and each initial purchaser has agreed that it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

LEGAL MATTERS

The validity of the notes offered by this offering memorandum will be passed upon for us by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Palo Alto, California. Certain legal matters will be passed upon for the initial purchasers by Cahill Gordon & Reindel LLP, New York, New York.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements of Netflix, Inc. and its subsidiaries as of December 31, 2018 and 2017 and for each of the years in the three year period ended December 31, 2018, incorporated herein by reference from the Netflix, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A, and the effectiveness of internal control over financial reporting as of December 31, 2018, have been audited by Ernst & Young LLP, independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference.

WHERE YOU CAN FIND MORE INFORMATION

We are a reporting company and file annual, quarterly and current reports, proxy statements and other information, including the bylaws of the Company, with the SEC. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including Netflix, Inc. The SEC's website can be found at www.sec.gov. Periodic and current reports we file with the SEC are available at our website www.netflix.com. Information on our website is not incorporated by reference into this offering memorandum. Details regarding the Company's directors can be found at the Company's corporate investor website at https://www.netflixinvestor.com/governance/officers-and-directors/default.aspx and the principal address for the Company's directors is the same as the Company's address provided below.

We "incorporate by reference" into this offering memorandum the following documents filed with the SEC:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as amended by our Amendment No. 1 on Form 10-K/A, including portions of our Proxy Statement for our 2019 Annual Meeting of Stockholders held on June 6, 2019 to the extent specifically incorporated by reference into such Annual Report;
- Our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2019, June 30, 2019 and September 30, 2019; and
- Our Current Reports on Form 8-K, filed with the SEC on January 7, 2019, April 1, 2019, April 3, 2019, April 29, 2019 and June 12, 2019.

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this offering memorandum and before the end of the offering pursuant to this offering memorandum shall also be deemed to be incorporated herein by reference. We do not incorporate by reference any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K in any past or future filings, unless specifically stated otherwise. Any such information incorporated by reference would be an important part of this offering memorandum.

Information in this offering memorandum supersedes information that we filed with the SEC prior to the date of this offering memorandum, while information that we file later with the SEC will automatically update and supersede this offering memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this offering memorandum. Copies of the indentures governing the applicable series of notes will be available on the SEC's website promptly following the issuance of the notes.

You may request copies of our filings with the SEC and forms of documents pertaining to the securities offered hereby referred to in this offering memorandum without charge, by written or telephonic request directed to us at Netflix, Inc., 100 Winchester Circle, Los Gatos, California 95032, Attention: Netflix Investor Relations, Telephone: (408) 540-3700.

PARTIES DIRECTORY

Issuer:

Netflix, Inc.
100 Winchester Circle,
Los Gatos, CA 95032
United States of America
LEI: 549300Y7VHGU0I7CE873

Euro Notes Listing Sponsor:

Bedell Channel Islands Limited
26 New Street
St Helier
Jersey, JE2 3RA

Auditors:

Ernst & Young LLP
560 Mission Street
San Francisco, CA 94105
United States of America

Trustee:

Wells Fargo Bank, National Association
333 S. Grand Avenue,
5th Floor Suite 5A
Los Angeles, CA
MAC EZ064-05A

Legal Adviser to the Issuer:

Wilson Sonsini Goodrich & Rosati, Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304-1050
United States of America

Euro Notes Paying Agent:

Elavon Financial Services DAC, UK Branch
125 Old Broad Street
London
EC2N 1AR
United Kingdom

Euro Notes Registrar:

Elavon Financial Services DAC
Building 8
Cherrywood Science and Technology Park
Loughlinstown
Dublin
Ireland


NETFLIX