

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2021
OR

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

For the transition period from _____ to _____

Commission File Number 1-3876

HOLLYFRONTIER CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
2828 N. Harwood, Suite 1300
Dallas
Texas
(Address of principal executive offices)

75-1056913
(I.R.S. Employer Identification No.)

75201
(Zip Code)

(214) 871-3555

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$0.01 par value	HFC	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15 (d) of the Act. Yes No

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

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

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth company

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

On June 30, 2021, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the Common Stock, par value \$0.01 per share, held by non-affiliates of the registrant was approximately \$4.9 billion, based upon the closing price on the New York Stock Exchange on such date. (This is not deemed an admission that any person whose shares were not included in the computation of the amount set forth in the preceding sentence necessarily is an "affiliate" of the registrant.)

163,001,510 shares of Common Stock, par value \$.01 per share, were outstanding on February 15, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement for its 2022 annual meeting of stockholders, which proxy statement will be filed with the Securities and Exchange Commission within 120 days after December 31, 2021, are incorporated by reference in Part III.

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PART I

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains certain “forward-looking statements” within the meaning of the federal securities laws. All statements, other than statements of historical fact included in this Form 10-K, including, but not limited to, those under “Business and Properties” in Items 1 and 2, “Risk Factors” in Item 1A, “Legal Proceedings” in Item 3 and “Management's Discussion and Analysis of Financial Condition and Results of Operations” in Item 7, are forward-looking statements. Forward-looking statements use words such as “anticipate,” “project,” “expect,” “plan,” “goal,” “forecast,” “strategy,” “intend,” “should,” “would,” “could,” “believe,” “may,” and similar expressions and statements regarding our plans and objectives for future operations. These statements are based on management's beliefs and assumptions using currently available information and expectations as of the date hereof, are not guarantees of future performance and involve certain risks and uncertainties. All statements concerning our expectations for future results of operations are based on forecasts for our existing operations and do not include the potential impact of any future acquisitions. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that our expectations will prove to be correct. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in these statements. Any differences could be caused by a number of factors including, but not limited to:

- our and Holly Energy Partners, L.P.’s (“HEP”) ability to successfully close the pending acquisition of Sinclair (as defined herein), or once closed, integrate the operations of Sinclair with our existing operations and fully realize the expected synergies of the Sinclair Transactions (as defined herein) or on the expected timeline;
- the satisfaction or waivers of the conditions precedent to the proposed Sinclair Transactions, including without limitation, regulatory approvals (including clearance by antitrust authorities necessary to complete the Sinclair Transactions on the terms and timeline desired);
- risks relating to the value of our new parent’s common stock and the value of HEP’s limited partner common units to be issued at the closing of the Sinclair Transactions from sales in anticipation of closing and from sales by the Sinclair holders following the closing of the Sinclair Transactions;
- the cost and potential for a delay in closing as a result of litigation against us or HEP challenging the Sinclair Transactions;
- our ability to successfully integrate the operation of the Puget Sound refinery with our existing operations;
- the demand for and supply of crude oil and refined products, including uncertainty regarding the effects of the continuing coronavirus (“COVID-19”) pandemic on future demand and increasing societal expectations that companies address climate change;
- risks and uncertainties with respect to the actions of actual or potential competitive suppliers and transporters of refined petroleum products or lubricant and specialty products in our markets;
- the spread between market prices for refined products and market prices for crude oil;
- the possibility of constraints on the transportation of refined products or lubricant and specialty products;
- the possibility of inefficiencies, curtailments or shutdowns in refinery operations or pipelines, whether due to infection in the workforce or in response to reductions in demand;
- the effects of current and/or future governmental and environmental regulations and policies, including the effects of current and/or future restrictions on various commercial and economic activities in response to the COVID-19 pandemic;
- the availability and cost of our financing;
- the effectiveness of our capital investments and marketing strategies;
- our efficiency in carrying out and consummating construction projects, including our ability to complete announced capital projects, such as the construction of the Artesia renewable diesel unit and pretreatment unit, on time and within capital guidance;
- our ability to timely obtain or maintain permits, including those necessary for operations or capital projects,
- our ability to acquire refined or lubricant product operations or pipeline and terminal operations on acceptable terms and to integrate any existing or future acquired operations;
- the possibility of terrorist or cyberattacks and the consequences of any such attacks;
- general economic conditions, including uncertainty regarding the timing, pace and extent of an economic recovery in the United States;

- a prolonged economic slowdown due to the COVID-19 pandemic which could result in an impairment of goodwill and/or long-lived asset impairments; and
- other financial, operational and legal risks and uncertainties detailed from time to time in our SEC filings.

Cautionary statements identifying important factors that could cause actual results to differ materially from our expectations are set forth in this Form 10-K, including, without limitation, the forward-looking statements that are referred to above. You should not put any undue reliance on any forward-looking statements. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements set forth in this Form 10-K under “Risk Factors” in Item 1A and in conjunction with the discussion in this Form 10-K in “Management's Discussion and Analysis of Financial Condition and Results of Operations” under the heading “Liquidity and Capital Resources.” All forward-looking statements included in this Form 10-K and all subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements speak only as of the date made and, other than as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DEFINITIONS

Within this report, the following terms have these specific meanings:

“**Alkylation**” means the reaction of propylene or butylene (olefins) with isobutane to form an iso-paraffinic gasoline (inverse of cracking).

“**Aromatic oil**” is long chain oil that is highly aromatic in nature and is used to manufacture tires and industrial rubber products and in the production of specialty asphalt.

“**BPD**” means the number of barrels per calendar day of crude oil or petroleum products.

“**BPSD**” means the number of barrels per stream day (barrels of capacity in a 24 hour period) of crude oil or petroleum products.

“**Base oil**” is a lubricant grade oil initially produced from refining crude oil or through chemical synthesis that is used in producing lubricant products such as lubricating greases, motor oil and metal processing fluids.

“**Biodiesel**” means a clean alternative fuel produced from renewable biological resources.

“**Black wax crude oil**” is a low sulfur, low gravity crude oil produced in the Uintah Basin in Eastern Utah that has certain characteristics that require specific facilities to transport, store and refine into transportation fuels.

“**Catalytic reforming**” means a refinery process which uses a precious metal (such as platinum) based catalyst to convert low octane naphtha to high octane gasoline blendstock and hydrogen. The hydrogen produced from the reforming process is used to desulfurize other refinery oils and is a primary source of hydrogen for the refinery.

“**Cracking**” means the process of breaking down larger, heavier and more complex hydrocarbon molecules into simpler and lighter molecules.

“**Crude oil distillation**” means the process of distilling vapor from liquid crudes, usually by heating, and condensing the vapor slightly above atmospheric pressure turning it back to liquid in order to purify, fractionate or form the desired products.

“**Ethanol**” means a high octane gasoline blend stock that is used to make various grades of gasoline.

“**FCC,**” or fluid catalytic cracking, means a refinery process that breaks down large complex hydrocarbon molecules into smaller more useful ones using a circulating bed of catalyst at relatively high temperatures.

“**Gas oil**” is a group of petroleum distillation products having boiling points between kerosene and lubricating oil and is used as fuel in construction and agricultural machinery.

“**Hydrodesulfurization**” means to remove sulfur and nitrogen compounds from oil or gas in the presence of hydrogen and a catalyst at relatively high temperatures.

“**Hydrogen plant**” means a refinery unit that converts natural gas and steam to high purity hydrogen, which is then used in the hydrodesulfurization, hydrocracking and isomerization processes.

“**HF alkylation**” or hydrofluoric alkylation, means a refinery process which combines isobutane and C3/C4 olefins using HF acid as a catalyst to make high octane gasoline blend stock.

“**Isomerization**” means a refinery process for rearranging the structure of C5/C6 molecules without changing their size or chemical composition and is used to improve the octane of C5/C6 gasoline blendstocks.

“**LPG**” means liquid petroleum gases.

“**Lubricant**” or “**lube**” means a solvent neutral paraffinic product used in commercial heavy duty engine oils, passenger car oils and specialty products for industrial applications such as heat transfer, metalworking, rubber and other general process oil.

“**MSAT2**” means Control of Hazardous Air Pollutants from Mobile Sources, a rule issued by the U.S. Environmental Protection Agency to reduce hazardous emissions from motor vehicles and motor vehicle fuels.

“**MEK**” means a lube process that separates waxy oil from non-waxy oils using methyl ethyl ketone as a solvent.

“**MMBTU**” means one million British thermal units.

“**Natural gasoline**” means a low octane gasoline blend stock that is purchased and used to blend with other high octane stocks produced to make various grades of gasoline.

“**Paraffinic oil**” is a high paraffinic, high gravity oil produced by extracting aromatic oils and waxes from gas oil and is used in producing high-grade lubricating oils.

“**Rack back**” represents the portion of our Lubricants and Specialty Products business operations that entails the processing of feedstocks into base oils.

“**Rack forward**” represents the portion of our Lubricants and Specialty Products business operations that entails the processing of base oils into finished lubricants and the packaging, distribution and sale to customers.

“**Refinery gross margin**” means the difference between average net sales price and average cost per barrel sold. This does not include the associated depreciation and amortization costs.

“**Reforming**” means the process of converting gasoline type molecules into aromatic, higher octane gasoline blend stocks while producing hydrogen in the process.

“**Renewable diesel**” means a diesel fuel derived from vegetable oils or animal fats that is produced through various processes, most commonly through hydrotreating, reacting the feedstock with hydrogen under temperatures and pressure in the presence of a catalyst.

“**RINs**” means renewable identification numbers and refers to serial numbers assigned to credits generated from renewable fuel production under the Environmental Protection Agency’s Renewable Fuel Standard (“RFS”) regulations, which require blending renewable fuels into the nation’s fuel supply. In lieu of blending, refiners may purchase these transferable credits in order to comply with the regulations.

“**Roofing flux**” is produced from the bottom cut of crude oil and is the base oil used to make roofing shingles for the housing industry.

“**ROSE,**” or “**Solvent deasphalter / residuum oil supercritical extraction,**” means a refinery unit that uses a light hydrocarbon like propane or butane to extract non-asphaltene heavy oils from asphalt or atmospheric reduced crude. These deasphalted oils are then further converted to gasoline and diesel in the FCC process. The remaining asphaltenes are either sold, blended to fuel oil or blended with other asphalt as a hardener.

“**Scanfiner**” is a refinery unit that removes sulfur from gasoline to produce low sulfur gasoline blendstock.

“**Sour crude oil**” means crude oil containing quantities of sulfur greater than 0.4 percent by weight, while “**sweet crude oil**” means crude oil containing quantities of sulfur equal to or less than 0.4 percent by weight.

“**Vacuum distillation**” means the process of distilling vapor from liquid crudes, usually by heating, and condensing the vapor below atmospheric pressure turning it back to a liquid in order to purify, fractionate or form the desired products.

“**White oil**” is an extremely pure, highly-refined petroleum product that has a wide variety of applications ranging from pharmaceutical to cosmetic products.

“**WTI**” means West Texas Intermediate and is a grade of crude oil used as a common benchmark in oil pricing. WTI is a sweet crude oil and has a relatively low density.

Items 1 and 2. Business and Properties

COMPANY OVERVIEW

References herein to HollyFrontier Corporation (“HollyFrontier”) include HollyFrontier and its consolidated subsidiaries. In accordance with the Securities and Exchange Commission’s (“SEC”) “Plain English” guidelines, this Annual Report on Form 10-K has been written in the first person. In this document, the words “we,” “our,” “ours” and “us” refer only to HollyFrontier and its consolidated subsidiaries or to HollyFrontier or an individual subsidiary and not to any other person, with certain exceptions. Generally, the words “we,” “our,” “ours” and “us” include Holly Energy Partners, L.P. (“HEP”) and its subsidiaries as consolidated subsidiaries of HollyFrontier, unless when used in disclosures of transactions or obligations between HEP and HollyFrontier or its other subsidiaries. This document contains certain disclosures of agreements that are specific to HEP and its consolidated subsidiaries and do not necessarily represent obligations of HollyFrontier. When used in descriptions of agreements and transactions, “HEP” refers to HEP and its consolidated subsidiaries.

We are an independent petroleum refiner and marketer that produces high-value light products such as gasoline, diesel fuel, jet fuel, specialty lubricant products and specialty and modified asphalt. We were incorporated in Delaware in 1947 and maintain our principal corporate offices at 2828 N. Harwood, Suite 1300, Dallas, Texas 75201-1507. Our telephone number is 214-871-3555, and our internet website address is www.hollyfrontier.com. The information contained on our website does not constitute part of this Annual Report on Form 10-K. A print copy of this Annual Report on Form 10-K will be provided without charge upon written request to the Vice President, Investor Relations at the above address. A direct link to our SEC filings is available on our website under the Investor Relations tab. Also available on our website are copies of our Corporate Governance Guidelines, Audit Committee Charter, Compensation Committee Charter, Nominating, Governance and Social Responsibility Committee Charter, Finance Committee Charter, Environmental, Health, Safety, and Public Policy Committee Charter and Code of Business Conduct and Ethics, all of which will be provided without charge upon written request to the Vice President, Investor Relations at the above address. Our Code of Business Conduct and Ethics applies to all of our officers, employees and directors, including our principal executive officer, principal financial officer and principal accounting officer. Our common stock is traded on the New York Stock Exchange under the trading symbol “HFC.”

On August 2, 2021, HollyFrontier, Hippo Parent Corporation, a wholly owned subsidiary of HollyFrontier (“New Parent”), Hippo Merger Sub, Inc., a wholly owned subsidiary of New Parent (“Parent Merger Sub”), The Sinclair Companies (“Sinclair”), and Hippo Holding LLC, a wholly owned subsidiary of Sinclair (the “Target Company”), entered into a business combination agreement (the “Business Combination Agreement”), pursuant to which HollyFrontier will acquire the Target Company. Pursuant to the Business Combination Agreement, HollyFrontier will acquire the Target Company by effecting (a) a holding company merger in accordance with Section 251(g) of Delaware General Corporation Law whereby HollyFrontier will merge with and into Parent Merger Sub, with HollyFrontier surviving such merger as a direct wholly owned subsidiary of New Parent (the “HFC Merger”) and (b) immediately following the HFC Merger, a contribution whereby Sinclair will contribute all of the equity interests of the Target Company to New Parent in exchange for shares of New Parent, resulting in the Target Company becoming a direct wholly owned subsidiary of New Parent (together with the HFC Merger, the “HFC Transactions”).

Additionally, on August 2, 2021, HEP, Sinclair and Sinclair Transportation Company, a wholly owned subsidiary of Sinclair (“STC”), entered into a contribution agreement (the “Contribution Agreement”) pursuant to which HEP will acquire all of the outstanding shares of STC in exchange for 21 million newly issued common limited partner units of HEP and cash consideration equal to \$325 million (the “HEP Transactions”, and together with the HFC Transactions, the “Sinclair Transactions”), subject to downward adjustment if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, HEP agrees to divest a portion of its equity interest in UNEV Pipeline, LLC and the sales price for such interests does not exceed the threshold provided in the Contribution Agreement.

The Sinclair Transactions are expected to close in 2022, subject to customary closing conditions and regulatory clearance, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (the “HSR Act”). On August 23, 2021, each of HollyFrontier and Sinclair filed its respective premerger notification and report regarding the Sinclair Transactions with the U.S. Department of Justice and the U.S. Federal Trade Commission (the “FTC”) under the HSR Act. On September 22, 2021, HollyFrontier and Sinclair each received a request for additional information and documentary material (“Second Request”) from the FTC in connection with the FTC’s review of the Sinclair Transactions. Issuance of the Second Request extends the waiting period under the HSR Act until 30 days after both HollyFrontier and Sinclair have substantially complied with the Second Request, unless the waiting period is terminated earlier by the FTC or the parties otherwise commit not to close the Sinclair Transactions for some additional period of time. HollyFrontier and Sinclair are cooperating with the FTC staff in its review and are working diligently to satisfy the closing conditions as soon as possible. In addition, the HEP Transactions are conditioned on the closing of the transactions contemplated by the Business Combination Agreement.

On May 4, 2021, our wholly owned subsidiary, HollyFrontier Puget Sound Refining LLC, entered into a sale and purchase agreement with Equilon Enterprises LLC d/b/a Shell Oil Products US (“Shell”) to acquire Shell’s Puget Sound refinery and related assets (the “Puget Sound Refinery”). The acquisition closed on November 1, 2021 for aggregate cash consideration of \$624.3 million. The Puget Sound Refinery is strategically located on approximately 850 acres in Anacortes, Washington. The 149,000 BPD facility is a large, high quality and complex refinery with catalytic cracking and delayed coking units and is well positioned geographically and logistically to source advantaged Canadian and Alaskan North Slope crudes. In addition to refining assets and an on-site cogeneration facility, the transaction includes a deep-water marine dock, a light product loading rack, a rail terminal and storage tanks with approximately 5.8 million barrels of crude, product and other hydrocarbon storage capacity.

On April 27, 2021, our wholly owned subsidiary, 7037619 Canada Inc., entered into a contract for sale of real property in Mississauga, Ontario for base consideration of \$98.8 million, or CAD 125 million. The transaction closed on September 15, 2021.

In November 2019, we announced our plans to construct a new renewable diesel unit (“RDU”) at our Artesia facility. The RDU will have a production capacity of approximately 120 million gallons a year and allow us to process soybean oil and other renewable feedstocks into renewable diesel. This investment will provide us the opportunity to meet the demand for low-carbon fuels while covering the cost of our annual RINs purchase obligation under current market conditions.

In the third quarter of 2020, we permanently ceased petroleum refining operations at our facility in Cheyenne, Wyoming (the “Cheyenne Refinery”) and subsequently began converting certain assets at our Cheyenne Refinery to renewable diesel production. The Cheyenne RDU will have a production capacity of approximately 90 million gallons a year. This decision was primarily based on a positive outlook in the market for renewable diesel and the expectation that future free cash flow generation at our Cheyenne Refinery would be challenged due to lower gross margins resulting from the economic impact of the COVID-19 pandemic and compressed crude differentials due to dislocations in the crude oil market. Additional factors included uncompetitive operating and maintenance costs forecasted for our Cheyenne Refinery and the anticipated loss of the Environmental Protection Agency’s (“EPA”) small refinery exemption.

Additionally, we are constructing a pre-treatment unit (“PTU”) at our Artesia facility that will provide feedstock flexibility for both our Artesia and Cheyenne RDUs. The RDUs and PTU, along with corresponding rail infrastructure and storage tanks, are estimated to have a total capital cost of \$800 million to \$900 million. The Cheyenne RDU was mechanically complete in the fourth quarter of 2021. The PTU is expected to be completed in the first quarter of 2022, and the Artesia RDU is expected to be completed in the second quarter of 2022.

On November 12, 2018, we entered into an equity purchase agreement to acquire 100% of the issued and outstanding capital stock of Sonneborn US Holdings Inc. and 100% of the membership rights in Sonneborn Coöperatief U.A. (collectively, “Sonneborn”). The acquisition closed on February 1, 2019. Cash consideration paid was \$662.7 million. Sonneborn is a producer of specialty hydrocarbon chemicals such as white oils, petrolatums and waxes with manufacturing facilities in the United States and Europe.

On July 10, 2018, we entered into a definitive agreement to acquire Red Giant Oil Company LLC (“Red Giant Oil”), a privately-owned lubricants company. The acquisition closed on August 1, 2018. Cash consideration paid was \$54.2 million. Red Giant Oil is one of the largest suppliers of locomotive engine oil in North America and is headquartered in Council Bluffs, Iowa.

On October 29, 2016, we entered into a share purchase agreement with Suncor Energy Inc. (“Suncor”) to acquire 100% of the outstanding capital stock of Petro-Canada Lubricants Inc. (“PCLI”). The acquisition closed on February 1, 2017. Cash consideration paid was \$862.1 million, or \$1.125 billion Canadian dollars. PCLI, located in Mississauga, Ontario, is the largest producer of base oils in Canada with a plant having 15,600 BPD of lubricant production capacity and is one of the largest manufacturers of high margin Group III base oils in North America.

As of December 31, 2021, we:

- owned and operated a refinery in El Dorado, Kansas (the “El Dorado Refinery”), two refinery facilities located in Tulsa, Oklahoma (collectively, the “Tulsa Refineries”), the Puget Sound Refinery in Anacortes, Washington, a refinery in Artesia, New Mexico that is operated in conjunction with crude oil distillation and vacuum distillation and other facilities situated 65 miles away in Lovington, New Mexico (collectively, the “Navajo Refinery”) and a refinery in Woods Cross, Utah (the “Woods Cross Refinery”);
- owned a facility in Cheyenne, Wyoming, which operated as a petroleum refinery until early August 2020, at which time its assets began to be converted to renewable diesel production;
- owned and operated a manufacturing facility in Mississauga, Ontario, which produces base oils and other specialized lubricant products for our Petro-Canada Lubricants business;
- owned and operated manufacturing facilities in Petrolia, Pennsylvania and the Netherlands, which produce specialty lubricant products for our Sonneborn business, such as white oils, petrolatums and waxes;
- owned and operated Red Giant Oil, which supplies locomotive engine oil and has storage and distribution facilities in Iowa and Wyoming, along with a blending and packaging facility in Texas;
- owned and operated HollyFrontier Asphalt Company LLC (“HFC Asphalt”), which operates various asphalt terminals in Arizona, New Mexico and Oklahoma; and
- owned a 57% limited partner interest and a non-economic general partner interest in HEP. HEP owns and operates logistic assets consisting of petroleum product and crude oil pipelines, terminals, tankage, loading rack facilities and refinery processing units that principally support our refining and marketing operations in the Mid-Continent, Southwest and Rocky Mountains geographic regions of the United States.

HEP is a variable interest entity (“VIE”) as defined under U.S. generally accepted accounting principles (“GAAP”). Information on HEP's assets and acquisitions completed in the past three years can be found under the “Holly Energy Partners, L.P.” section provided later in this discussion of Items 1 and 2, “Business and Properties.”

As of December 31, 2021, our operations were organized into three reportable segments, Refining, Lubricants and Specialty Products and HEP. The Refining segment includes the operations of our El Dorado, Tulsa, Puget Sound, Navajo and Woods Cross Refineries and HFC Asphalt. The Lubricants and Specialty Products segment includes the operations of our Petro-Canada Lubricants business, Red Giant Oil and Sonneborn in addition to specialty lubricant products produced at our Tulsa Refinery. The HEP segment involves all of the operations of HEP. See Note 20 “Segment Information” in the Notes to Consolidated Financial Statements for additional information on our reportable segments.

REFINERY OPERATIONS

Our refinery operations serve the Mid-Continent, Southwest and Rocky Mountains extending into the Pacific Northwest geographic regions of the United States. We own and operate five complex refineries having a combined crude oil processing capacity of 554,000 BPSD. Each of our refineries has the complexity to convert discounted, heavy and sour crude oils into a high percentage of gasoline, diesel and other high-value refined products.

The tables presented below and elsewhere in this discussion of our refinery operations set forth information, including non-GAAP performance measures, about our refinery operations and includes the Puget Sound Refinery for the period November 1, 2021 (date of acquisition) through December 31, 2021. The cost of products and refinery gross and net operating margins do not include the non-cash effects of long-lived asset impairment charges, lower of cost or market inventory valuation adjustments and depreciation and amortization. Reconciliations to amounts reported under GAAP are provided under “Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles” following Item 7A of Part II of this Form 10-K.

	Years Ended December 31,		
	2021 ⁽⁸⁾	2020	2019
Consolidated			
Crude charge (BPD) ⁽¹⁾	400,720	365,190	388,860
Refinery throughput (BPD) ⁽²⁾	431,870	395,080	417,570
Sales of produced refined products (BPD) ⁽³⁾	424,100	391,670	414,370
Refinery utilization ⁽⁴⁾	93.1 %	90.2 %	96.0 %
Average per produced barrel sold ⁽⁵⁾			
Refinery gross margin	\$ 10.89	\$ 7.29	\$ 15.92
Refinery operating expenses ⁽⁶⁾	7.04	6.05	6.12
Net operating margin	\$ 3.85	\$ 1.24	\$ 9.80
Refinery operating expenses per throughput barrel ⁽⁷⁾	\$ 6.92	\$ 6.00	\$ 6.07
Feedstocks:			
Sweet crude oil	47 %	48 %	45 %
Sour crude oil	31 %	29 %	34 %
Heavy sour crude oil	12 %	11 %	10 %
Black wax crude oil	4 %	4 %	4 %
Other feedstocks and blends	6 %	8 %	7 %
Total	100 %	100 %	100 %

- (1) Crude charge represents the barrels per day of crude oil processed at our refineries.
- (2) Refinery throughput represents the barrels per day of crude and other refinery feedstocks input to the crude units and other conversion units at our refineries.
- (3) Represents barrels sold of refined products produced at our refineries (including HFC Asphalt) and does not include volumes of refined products purchased for resale or volumes of excess crude oil sold.
- (4) Represents crude charge divided by total crude capacity (BPSD). As a result of our acquisition of the Puget Sound Refinery on November 1, 2021, our consolidated crude capacity increased from 405,000 BPSD to 554,000 BPSD.
- (5) Represents average amount per produced barrel sold, which is a non-GAAP measure. Reconciliations to amounts reported under GAAP are provided under “Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles” following Item 7A of Part II of this Form 10-K.
- (6) Represents total Mid-Continent and West regions operating expenses, exclusive of long-lived asset impairment charges and depreciation and amortization, divided by sales volumes of refined products produced at our refineries.
- (7) Represents total Mid-Continent and West regions operating expenses, exclusive of long-lived asset impairment charges and depreciation and amortization, divided by refinery throughput.
- (8) We acquired the Puget Sound Refinery on November 1, 2021. Refining operating data for the year ended December 31, 2021 includes crude oil and feedstocks processed and refined products sold at our Puget Sound Refinery for the period November 1, 2021 through December 31, 2021 only, averaged over the 365 days in the year ended December 31, 2021.

Products and Customers

Set forth below is information regarding refined product sales:

	Years Ended December 31,		
	2021	2020	2019
Consolidated			
Sales of refined products:			
Gasolines	53 %	54 %	52 %
Diesel fuels	34 %	34 %	34 %
Jet fuels	4 %	3 %	4 %
Fuel oil	1 %	1 %	2 %
Asphalt	3 %	4 %	3 %
Base oils	2 %	2 %	2 %
LPG and other	3 %	2 %	3 %
Total	100 %	100 %	100 %

Light products are shipped to customers via product pipelines or are available for loading at our refinery truck facilities and terminals. Light products are also made available to customers at various other locations via exchange with other parties.

Our principal customers for gasoline include other refiners, convenience store chains, independent marketers and retailers. Diesel fuel is sold to other refiners, truck stop chains, wholesalers and railroads. Jet fuel is sold for commercial airline use. Base oils are intercompany sales to our Lubricants and Specialty Products segment. LPG's are sold to LPG wholesalers and LPG retailers. We produce and purchase asphalt products that are sold to governmental entities, paving contractors or manufacturers. Asphalt is also blended into fuel oil and is either sold locally or is shipped to the Gulf Coast. For the year ended December 31, 2021, we had one customer, Shell, together with certain of its affiliates, that accounted for 10% or more of our total annual revenues at approximately 13%. See Note 5 "Revenues" in the Notes to Consolidated Financial Statements for additional information on our customers revenues.

Mid-Continent Region (El Dorado and Tulsa Refineries)

Facilities

The El Dorado Refinery is a high-complexity coking refinery with a 135,000 BPSD processing capacity and the ability to process significant volumes of heavy and sour crudes. The integrated refining processes at the Tulsa West and East refinery facilities provide us with a highly complex refining operation having a combined crude processing rate of approximately 125,000 BPSD.

The following table sets forth information about our Mid-Continent region operations, including non-GAAP performance measures.

	Years Ended December 31,		
	2021	2020	2019
Mid-Continent Region (El Dorado and Tulsa Refineries)			
Crude charge (BPD) ⁽¹⁾	260,350	241,140	254,010
Refinery throughput (BPD) ⁽²⁾	276,430	257,030	268,500
Sales of produced refined products (BPD) ⁽³⁾	265,470	248,320	259,310
Refinery utilization ⁽⁴⁾	100.1 %	92.7 %	97.7 %
Average per produced barrel sold ⁽⁵⁾			
Refinery gross margin	\$ 9.44	\$ 5.17	\$ 13.71
Refinery operating expenses ⁽⁶⁾	6.42	5.46	5.77
Net operating margin	\$ 3.02	\$ (0.29)	\$ 7.94
Refinery operating expenses per throughput barrel ⁽⁷⁾	\$ 6.17	\$ 5.27	\$ 5.58

Footnote references are provided under our Consolidated Refinery Operating Data table on page 9.

The El Dorado Refinery is located on 1,100 acres south of El Dorado, Kansas and is a fully integrated refinery. The principal processing units at the El Dorado Refinery consist of crude and vacuum distillation; hydrodesulfurization of naphtha, kerosene, diesel, and gas oil streams; isomerization; catalytic reforming; aromatics recovery; catalytic cracking; alkylation; delayed coking; hydrogen production; and sulfur recovery.

The Tulsa West facility is located on a 750-acre site in Tulsa, Oklahoma situated along the Arkansas River. The principal processing units at the Tulsa West facility consist of crude and vacuum distillation (with light ends recovery), naphtha hydrodesulfurization, propane de-asphalting, lubes extraction, MEK dewaxing, delayed coker and butane splitter units.

The Tulsa East facility is located on a 466-acre site also in Tulsa, Oklahoma situated along the Arkansas River. The principal processing units at the Tulsa East facility consist of crude and vacuum distillation, naphtha hydrodesulfurization, FCC, isomerization, catalytic reforming, alkylation, scanfiner, diesel hydrodesulfurization and sulfur units.

Crude Oil and Feedstock Supplies

Both of our Mid-Continent Refineries are connected via pipeline to Cushing, Oklahoma, a significant crude oil pipeline trading and storage hub. The El Dorado Refinery and the Tulsa Refineries are located approximately 125 miles and 50 miles, respectively, from Cushing, Oklahoma. Local pipelines provide direct access to regional Oklahoma crude production as well as access to United States onshore and Canadian crudes. The proximity of the refineries to the Cushing pipeline and storage hub provides the flexibility to optimize their crude slate with a wide variety of crude oil supply options. Additionally, we have transportation service agreements to transport Canadian crude oil on the Spearhead and Keystone Pipelines, enabling us to transport Canadian crude oil to Cushing for subsequent shipment to either of our Mid-Continent Refineries.

We also purchase isobutane, natural gasoline, butane and other feedstocks for processing at our Mid-Continent Refineries. The El Dorado Refinery is connected to Conway, Kansas, a major gas liquids trading and storage hub, via the Oneok Pipeline. From time to time, other feedstocks such as gas oil, naphtha and light cycle oil are purchased from other refiners for use at our refineries.

	Years Ended December 31,		
	2021	2020	2019
Mid-Continent Region (El Dorado and Tulsa Refineries)			
Feedstocks:			
Sweet crude oil	61 %	58 %	55 %
Sour crude oil	15 %	19 %	24 %
Heavy sour crude oil	18 %	17 %	16 %
Other feedstocks and blends	6 %	6 %	5 %
Total	100 %	100 %	100 %

Markets and Competition

The primary markets for the El Dorado Refinery's refined products are Colorado and the Plains States, which include the Kansas City metropolitan area. The gasoline, diesel and jet fuel produced by the El Dorado Refinery are primarily shipped via pipeline to terminals for distribution by truck or rail. We ship product via the NuStar Pipeline Operating Partnership L.P. Pipeline to the northern Plains States, via the Magellan Pipeline Company, L.P. ("Magellan") mountain pipeline to Denver, Colorado, and on the Magellan mid-continent pipeline to the Plains States. Additionally, HEP's on-site truck and rail racks facilitate access to local refined product markets.

The El Dorado Refinery faces competition from other Plains States and Mid-Continent refiners, but the principal competitors for the El Dorado Refinery are Gulf Coast refiners. Our Gulf Coast competitors typically have lower production costs due to greater economies of scale; however, they incur higher refined product transportation costs, which allows the El Dorado Refinery to compete effectively in the Plains States and Rocky Mountains region with Gulf Coast refineries.

The Tulsa Refineries serve the Mid-Continent geographic region of the United States. Distillates and gasolines are primarily delivered from the Tulsa Refineries to market via pipelines owned and operated by Magellan. These pipelines connect the refinery to distribution channels throughout Colorado, Oklahoma, Kansas, Missouri, Illinois, Iowa, Minnesota, Nebraska and Arkansas. Additionally, HEP's on-site truck and rail racks facilitate access to local refined product markets.

The Tulsa Refineries' principal customers for conventional gasoline include other refiners, convenience store chains, independent marketers and retailers. Truck stop operators and railroads are the primary diesel customers. Jet fuel is sold primarily for commercial use. The refineries' asphalt and roofing flux products are sold via truck or railcar directly from the refineries or to customers throughout the Mid-Continent geographic region primarily to paving contractors and manufacturers of roofing products.

Products

Set forth below is information regarding refined product sales attributable to our Mid-Continent region:

	Years Ended December 31,		
	2021	2020	2019
Mid-Continent Region (El Dorado and Tulsa Refineries)			
Sales of refined products:			
Gasolines	52 %	52 %	51 %
Diesel fuels	33 %	34 %	32 %
Jet fuels	5 %	4 %	7 %
Fuel oil	1 %	1 %	1 %
Asphalt	3 %	3 %	3 %
Base oils	4 %	4 %	4 %
LPG and other	2 %	2 %	2 %
Total	100 %	100 %	100 %

West Region (Puget Sound, Navajo and Woods Cross Refineries)

Facilities

On November 1, 2021, we acquired the Puget Sound Refinery, which is a complex refinery with a 149,000 BPSD processing capacity and has the ability to process a variety of light, medium, heavy sweet and sour crudes. The Navajo Refinery has a crude oil processing capacity of 100,000 BPSD and has the ability to process sour crude oils into high-value light products such as gasoline, diesel fuel and jet fuel. The Woods Cross Refinery has a crude oil processing capacity of 45,000 BPSD and processes regional sweet and black wax crude into high-value light products.

The following table sets forth information about our West region operations, including non-GAAP performance measures. It includes the Puget Sound Refinery for the period November 1, 2021 (date of acquisition) through December 31, 2021.

	Years Ended December 31,		
	2021 ⁽⁸⁾	2020	2019
West Region (Puget Sound, Navajo and Woods Cross Refineries)			
Crude charge (BPD) ⁽¹⁾	140,370	124,050	134,850
Refinery throughput (BPD) ⁽²⁾	155,440	138,050	149,070
Sales of produced refined products (BPD) ⁽³⁾	158,630	143,350	155,060
Refinery utilization ⁽⁴⁾	82.7 %	85.6 %	93.0 %
Average per produced barrel sold ⁽⁵⁾			
Refinery gross margin	\$ 13.32	\$ 10.97	\$ 19.62
Refinery operating expenses ⁽⁶⁾	8.09	7.07	6.69
Net operating margin	\$ 5.23	\$ 3.90	\$ 12.93
Refinery operating expenses per throughput barrel ⁽⁷⁾	\$ 9.27	\$ 7.34	\$ 6.96

Footnote references are provided under our Consolidated Refinery Operating Data table on page 9.

The Puget Sound Refinery facility is located on approximately 850 acres in Anacortes, Washington and is a fully integrated refinery. The principal processing units at the Puget Sound Refinery consist of crude and vacuum distillation, FCC, delayed coking, sulfuric alkylation, catalytic reforming, hydrodesulfurization, isomerization, sulfur recovery, cogeneration and product blending. In addition to refining assets and an on-site cogeneration facility, the Puget Sound Refinery also includes a deep-water marine dock, a light product loading rack, a rail terminal and storage tanks with approximately 5.8 million barrels of crude, product and other hydrocarbon storage capacity.

The Navajo Refinery's Artesia, New Mexico facility is located on a 561-acre site and is a fully integrated refinery with crude distillation, vacuum distillation, FCC, ROSE (solvent deasphalter), HF alkylation, catalytic reforming, hydrodesulfurization, mild hydrocracking, isomerization, sulfur recovery and product blending units.

The Artesia facility is operated in conjunction with a refining facility located in Lovington, New Mexico, approximately 65 miles east of Artesia. The principal equipment at the Lovington facility consists of a crude distillation unit and associated vacuum distillation units. The Lovington facility processes crude oil into intermediate products that are transported to Artesia by means of three intermediate pipelines owned by HEP. These products are then upgraded into finished products at the Artesia facility. The combined crude oil capacity of the Navajo Refinery facilities is 100,000 BPSD and it typically processes or blends an additional 10,000 BPSD of natural gasoline, butane, gas oil and naphtha.

The Woods Cross Refinery facility is located on a 200-acre site in Woods Cross, Utah and is a fully integrated refinery with crude distillation, solvent deasphalter, FCC, HF alkylation, catalytic reforming, hydrodesulfurization, isomerization, sulfur recovery and product blending units. The facility typically processes or blends an additional 2,000 BPSD of natural gasoline, butane and gas oil over its 45,000 BPSD capacity.

Crude Oil and Feedstock Supplies

The Puget Sound Refinery is well positioned geographically and logistically to source advantaged Canadian and Alaskan North Slope crudes. The Canadian crudes are sourced from Edmonton, Alberta and are supplied directly to the Puget Sound Refinery by the Trans Mountain pipeline system. The Alaskan North Slope crudes are supplied by oil tankers that load the crude from Valdez, Alaska and offload at Puget Sound Refinery's deepwater dock. The dock also allows the refinery to receive other crude oil via marine.

The Navajo Refinery is situated near the Permian Basin, an area that has historically, and continues to have, abundant supplies of crude oil available both for regional users and for export to other areas. We purchase crude oil from independent producers in southeastern New Mexico and west Texas as well as from major oil companies. The crude oil is gathered through HEP's pipelines and through third-party tank trucks and crude oil pipeline systems for delivery to the Navajo Refinery.

We also purchase volumes of isobutane, natural gasoline and other feedstocks to supply the Navajo Refinery from sources in Texas and the Mid-Continent area that are delivered to this region on a common carrier pipeline owned by Enterprise Products, L.P. Ultimately all volumes of these products are shipped to the Artesia refining facilities on HEP's intermediate pipelines running from Lovington to Artesia. From time to time, we purchase gas oil, naphtha and light cycle oil from other refiners for use as feedstock.

The Woods Cross Refinery currently obtains crude oil from suppliers in Canada, Wyoming and Utah as delivered via common carrier pipelines, including the SLC Pipeline and Frontier Pipeline both owned by HEP. Supplies of black wax crude oil are shipped via truck.

	Years Ended December 31,		
	2021	2020	2019
<i>West Region (Puget Sound, Navajo and Woods Cross Refineries)</i>			
Feedstocks:			
Sweet crude oil	22 %	30 %	26 %
Sour crude oil	58 %	49 %	52 %
Heavy sour crude oil	1 %	— %	— %
Black wax crude oil	10 %	11 %	12 %
Other feedstocks and blends	9 %	10 %	10 %
Total	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

Markets and Competition

The Puget Sound Refinery primarily serves the Pacific Northwest market, including Washington, Oregon and British Columbia. It supplies jet fuel for the Seattle-Tacoma, Washington, Portland, Oregon and Vancouver, British Columbia airports. Products are shipped to Seattle, Tacoma, and Portland terminals by the common carrier Olympic Pipeline. Additionally, products are loaded across the Puget Sound Refinery's marine dock to deliver to the same locations in the Pacific Northwest market and to expanded locations in California and Alaska. The Puget Sound Refinery can also load products for export sales across its marine dock.

The Navajo Refinery primarily serves the southwestern United States market, including the metropolitan areas of El Paso, Texas; Albuquerque, Moriarty and Bloomfield, New Mexico; Phoenix and Tucson, Arizona; and portions of northern Mexico. Our products are shipped through HEP's pipelines from Artesia, New Mexico to El Paso, Texas and from El Paso to Albuquerque and to Mexico via products pipeline systems owned by Magellan and from El Paso to Tucson and Phoenix via a products pipeline system owned by SFPP, L.P. ("SFPP"). In addition, petroleum products from the Navajo Refinery are transported to markets in northwest New Mexico, to Moriarty, New Mexico, near Albuquerque, via HEP's pipelines running from Artesia to San Juan County, New Mexico, and to Bloomfield, New Mexico. We have refined product storage through our pipelines and terminals agreement with HEP at terminals in Artesia and Moriarty, New Mexico.

The Woods Cross Refinery's primary market is Utah, which is currently supplied by a number of local refiners and the Pioneer Pipeline. It also supplies a small percentage of the refined products consumed in the combined Idaho, Wyoming, eastern Washington and Nevada markets. Our Woods Cross Refinery ships refined products over a common carrier pipeline system owned by Andeavor Logistics Northwest Pipelines LLC to numerous terminals, including HEP's terminal at Spokane, Washington and third-party terminals at Pocatello and Boise, Idaho and Pasco, Washington as well as to Cedar City, Utah and Las Vegas, Nevada via the UNEV Pipeline.

Products

Set forth below is information regarding refined product sales attributable to our West region:

	Years Ended December 31,		
	2021	2020	2019
West Region (Puget Sound, Navajo and Woods Cross Refineries)			
Sales of refined products:			
Gasolines	54 %	56 %	53 %
Diesel fuels	35 %	35 %	37 %
Jet fuels	1 %	— %	— %
Fuel oil	3 %	3 %	3 %
Asphalt	4 %	4 %	4 %
LPG and other	3 %	2 %	3 %
Total	100 %	100 %	100 %

HollyFrontier Asphalt Company

We manufacture commodity and modified asphalt products at our manufacturing facilities located in Glendale, Arizona; Albuquerque, New Mexico; Artesia, New Mexico and Catoosa, Oklahoma. Our Albuquerque and Artesia facilities manufacture commodity and modified hot asphalt products as well as commodity and modified asphalt emulsions from base asphalt materials provided by our refineries and third-party suppliers. Our Glendale facility manufactures commodity, modified and specialty modified hot asphalt products from base asphalt materials provided by our refineries and third-party suppliers. Our Catoosa facility manufactures commodity, modified and specialty modified hot asphalt products and commodity asphalt products from base asphalts supplied by our refineries. We market these finished asphalt products in Arizona, California, Colorado, New Mexico, Oklahoma, Kansas, Missouri, Texas, Arkansas and northern Mexico. Our products are shipped via third-party trucking companies to commercial customers that provide asphalt based materials for private, commercial and government agency projects.

LUBRICANTS AND SPECIALTY PRODUCTS OPERATIONS

Our lubricants and specialty products operations consist of our Petro-Canada Lubricants, Red Giant Oil, Sonneborn and the Tulsa rack forward businesses.

Our Petro-Canada Lubricants business produces automotive, industrial and food grade lubricants and greases, base and process oils and specialty fluids. It is one of the largest manufacturers of high margin Group III base oils in North America. Products are marketed in over 80 countries worldwide to a diverse customer base through a global sales force and distributor network.

Our Red Giant Oil business provides high quality lubricants to the railroad industry, which represents a market of a small number of high-value customers who associate the Red Giant Oil name with a niche suite of products.

Sonneborn is a producer of specialty products such as white oils, petrolatums and waxes for the personal care, cosmetic, pharmaceutical and food processing industries. Combined with Petro-Canada Lubricants, it is one of the world's largest producers of pharmaceutical white oils.

Our Tulsa Refinery produces high quality base oils, process oils, waxes, horticultural oils and asphalt performance products. Products are marketed worldwide through strategically located terminals in the United States and selected distributors internationally.

The following table sets forth information about our lubricants and specialty products operations and includes Sonneborn for the period February 1, 2019 (date of acquisition) through December 31, 2021.

	Years Ended December 31,		
	2021	2020	2019
Lubricants and Specialty Products			
Throughput (BPD)	19,177	19,645	20,251
Sales of produced refined products (BPD)	34,016	32,902	34,827
Sales of produced refined products:			
Finished products	51 %	49 %	49 %
Base oils	27 %	26 %	27 %
Other	22 %	25 %	24 %
Total	100 %	100 %	100 %

PCLI owns and operates a production facility located in Mississauga, Ontario having lubricant production capacity of 15,600 BPD and has the flexibility to match unique lubricant product formulations. The primary operating units are high-pressure hydrotreating and hydrofinishing, solvent dewaxing and catalytic dewaxing. In addition, the facility operates a hydrogen plant, naphtha hydrotreater and catalytic reformer, along with other utility units to support production. The Mississauga plant also includes packaging facilities and has extensive distribution capabilities with marine, truck and rail access.

Red Giant Oil, headquartered in Council Bluffs, Iowa, owns and operates blending and distribution facilities in Council Bluffs, Iowa; Joshua, Texas and Newcastle, Wyoming.

Sonneborn has manufacturing facilities in Petrolia, Pennsylvania and the Netherlands. The Sonneborn Petrolia site has a production capacity of 6,000 BPD with flexibility to produce a full range of finished specialty products. The primary operating unit is a high-pressure hydrotreater with hydrofinishing. In addition, the facility operates a hydrogen plant along with other utility units to support production. The Petrolia plant also includes packaging facilities with distribution capabilities through rail and trucking. The Sonneborn Netherlands sites include processing facilities in Amsterdam and Koog with a production capacity of approximately 1,500 BPD. The primary operating units include base oil acid treating, percolation filtration, and bleaching & steaming operations. The Netherlands sites include packaging facilities with distribution capabilities through truck and marine.

HOLLY ENERGY PARTNERS, L.P.

HEP is a Delaware limited partnership that trades on the New York Stock Exchange under the trading symbol "HEP." HEP owns and operates logistic assets consisting of petroleum product and crude oil pipelines, terminals, tankage, loading rack facilities and refinery processing units that principally support our refining and marketing operations, as well as other third-party refineries, in the Mid-Continent, Southwest and Rocky Mountains geographic regions of the United States. Additionally, HEP owns a 75% interest in UNEV Pipeline, LLC ("UNEV"), the owner of a pipeline running from Woods Cross, Utah to Las Vegas, Nevada (the "UNEV Pipeline") and associated product terminals, and a 50% ownership interest in each of Osage Pipe Line Company, LLC, the owner of a pipeline running from Cushing, Oklahoma to El Dorado, Kansas (the "Osage Pipeline"), Cheyenne Pipeline, LLC, the owner of a pipeline running from Fort Laramie, Wyoming to Cheyenne, Wyoming (the "Cheyenne Pipeline") and Cushing Connect Pipeline & Terminal LLC ("Cushing Connect"), the owner of a crude oil storage terminal in Cushing, Oklahoma and a pipeline that runs from Cushing, Oklahoma to our Tulsa Refineries.

HEP generates revenues by charging tariffs for transporting petroleum products and crude oil through its pipelines, by charging fees for terminalling and storing refined products and other hydrocarbons, providing other services at its storage tanks and terminals and charging a tolling fee per barrel or thousand standard cubic feet of feedstock throughput in its refinery processing units. HEP does not take ownership of products that it transports, terminals, stores or refines; therefore, it is not directly exposed to changes in commodity prices.

Investment in Joint Venture

Cushing Connect Joint Venture

In October 2019, HEP Cushing LLC, a wholly-owned subsidiary of HEP, and Plains Marketing, L.P., a wholly-owned subsidiary of Plains All American Pipeline, L.P. ("Plains"), formed a 50/50 joint venture, Cushing Connect, for (i) the development, construction, ownership and operation of a new 160,000 barrel per day common carrier crude oil pipeline (the "Cushing Connect Pipeline") that connects the Cushing, Oklahoma crude oil hub to our Tulsa Refineries and (ii) the ownership and operation of 1.5 million barrels of crude oil storage in Cushing, Oklahoma (the "Cushing Connect Terminal"). The Cushing Connect Terminal was fully in service beginning in April 2020, and the Cushing Connect Pipeline was placed in service at the end of the third quarter of 2021. Long-term commercial agreements have been entered into to support the Cushing Connect assets.

Cushing Connect entered into a contract with an affiliate of HEP to manage the operation of the Cushing Connect Pipeline and with an affiliate of Plains to manage the operation of the Cushing Connect Terminal. The total investment in Cushing Connect will be shared proportionately among the partners. However, HEP is solely responsible for any Cushing Connect Pipeline construction costs that exceed the budget by more than 10%. HEP's share of the cost of the Cushing Connect Terminal contributed by Plains and Cushing Connect Pipeline construction costs are approximately \$70.0 million to \$75.0 million.

Transportation Agreements

Agreements with HEP

HEP serves our refineries under long-term pipeline, terminal and tankage throughput agreements and refinery processing tolling agreements expiring from 2022 through 2036. Under these agreements, we pay HEP fees to transport, store and process throughput volumes of refined products, crude oil and feedstocks on HEP's pipelines, terminals, tankage, loading rack facilities and refinery processing units that result in minimum annual payments to HEP, including UNEV (a consolidated subsidiary of HEP). Under these agreements, the agreed upon tariff rates are subject to annual tariff rate adjustments on July 1 at a rate based upon the percentage change in Producer Price Index or Federal Energy Regulatory Commission index. As of December 31, 2021, these agreements required minimum annualized payments to HEP of \$352.8 million.

Our transactions with HEP including the transactions discussed above and fees paid under our transportation agreements with HEP and UNEV are eliminated and have no impact on our consolidated financial statements.

As of December 31, 2021, HEP's assets included:

Pipelines

- approximately 660 miles of refined product pipelines, including 340 miles of leased pipelines, that transport gasoline, diesel and jet fuel principally from our Navajo Refinery in New Mexico to our customers in the metropolitan and rural areas of Texas, New Mexico, Arizona, Colorado, Utah and northern Mexico;
- approximately 510 miles of refined product pipelines that transport refined products from Delek's Big Spring refinery in Texas to its customers in Texas and Oklahoma;
- two 65-mile pipelines that transport intermediate feedstocks and crude oil from our Navajo Refinery crude oil distillation and vacuum facilities in Lovington, New Mexico to our petroleum refinery facilities in Artesia, New Mexico;
- one 65-mile intermediate pipeline that is used for the shipment of crude oil from the gathering systems in Barnsdall and Beeson, New Mexico to our Navajo Refinery;
- the SLC Pipeline, a 95-mile intrastate crude oil pipeline system that transports crude oil into the Salt Lake City, Utah area from the Utah terminus of the Frontier Pipeline, as well as crude oil flowing from Wyoming and Utah via the Marathon Wamsutter system;
- the Frontier Pipeline, a 289-mile crude oil pipeline running from Casper, Wyoming to Frontier Station, Utah through a connection to the SLC Pipeline;
- approximately 990 miles of crude oil trunk, gathering and connection pipelines located in west Texas, New Mexico and Oklahoma that primarily deliver crude oil to our Navajo Refinery;

- approximately 10 miles of refined product pipelines that support our Woods Cross Refinery located near Salt Lake City, Utah;
- gasoline and diesel connecting pipelines that support our Tulsa East facility;
- five intermediate product and gas pipelines between our Tulsa East and Tulsa West facilities;
- crude receiving assets located at our Cheyenne facility;
- a 75% interest in the UNEV Pipeline, a 427-mile, 12-inch refined products pipeline running from Woods Cross, Utah to Las Vegas, Nevada and Cedar City, Utah;
- a 50% interest in the Osage Pipeline, a 135-mile pipeline that transports crude oil from Cushing, Oklahoma to our El Dorado Refinery and also has a connection to the Jayhawk pipeline that services the CHS refinery in McPherson, Kansas;
- a 50% interest in the Cheyenne Pipeline, an 87-mile crude oil pipeline running from Fort Laramie, Wyoming to Cheyenne, Wyoming; and
- a 50% interest in Cushing Connect Pipeline, a 50-mile crude oil pipeline running from Cushing, Oklahoma to our Tulsa Refineries.

Refined Product Terminals and Refinery Tankage

- three refined product terminals located in Orla, Texas and Moriarty and Bloomfield, New Mexico, with an aggregate capacity of approximately 458,000 barrels, that are integrated with HEP's refined product pipeline system that serves our Navajo Refinery;
- one refined product terminal located in Spokane, Washington, with a capacity of approximately 465,000 barrels, that serves third-party common carrier pipelines;
- one refined product terminal near Mountain Home, Idaho, with a capacity of approximately 120,000 barrels, that serves a nearby United States Air Force Base;
- two refined product terminals, located in Wichita Falls and Abilene, Texas, and one tank farm in Orla, Texas with aggregate capacity of approximately 600,000 barrels, that are integrated with HEP's refined product pipelines that serve Delek's Big Spring, Texas refinery;
- a refined product terminal in Catoosa, Oklahoma that stores specialty lubricant products and is utilized by our Tulsa Refineries;
- a refined product loading rack facility at each of our El Dorado, Tulsa, Navajo and Woods Cross Refineries and our Cheyenne facility, heavy product / asphalt loading rack facilities at our Tulsa East facility, Navajo Refinery Lovington facility and Cheyenne facility, LPG loading rack facilities at our El Dorado Refinery, Tulsa West facility and Cheyenne facility, lube oil loading racks at our Tulsa West facility and crude oil Leased Automatic Custody Transfer units located at our Cheyenne facility;
- on-site crude oil tankage at our Tulsa, Navajo and Woods Cross Refineries and Cheyenne facility having an aggregate storage capacity of approximately 1,780,000 barrels;
- on-site refined and intermediate product tankage at our El Dorado and Tulsa and Refineries and Cheyenne facility having an aggregate storage capacity of approximately 7,980,000 barrels;
- eleven crude oil tanks adjacent to our El Dorado Refinery with a capacity of approximately 1,100,000 barrels that primarily serve our El Dorado Refinery;
- crude oil tankage with an aggregate storage capacity of approximately 480,000 barrels that primarily serve our Navajo Refinery;
- SLC Pipeline and Frontier Pipeline's tankage with an aggregate capacity of approximately 380,000 barrels;
- a 75% interest in UNEV Pipeline's product terminals near Cedar City, Utah and Las Vegas, Nevada with an aggregate capacity of approximately 660,000 barrels; and
- a 50% interest in Cushing Connect Terminal with a capacity of approximately 1,500,000 barrels of crude oil storage in Cushing, Oklahoma.

Refinery Processing Units

- a naphtha fractionation tower at our El Dorado Refinery, with a capacity of 50,000 BPD of desulfurized naphtha;
- a hydrogen generation unit at our El Dorado Refinery, with a capacity of 6.1 million standard cubic feet per day of natural gas.
- a crude unit, which is primarily an atmospheric distillation tower, a desalter and heat exchangers, at our Woods Cross Refinery, with a feedstock capacity of 15,000 BPD of crude oil;
- a FCC unit at our Woods Cross Refinery, which converts crude oil to high-value refined products such as gasoline, diesel and liquefied petroleum gases, with a capacity of 8,000 BPD; and
- a polymerization unit at our Woods Cross Refinery, that uses the output of the fluid cracking unit and converts them into gasoline blendstock, with a capacity of 2,500 BPD.

ADDITIONAL OPERATIONS AND OTHER INFORMATION

Corporate Offices

Our principal corporate offices are leased and located in Dallas, Texas. Functions performed in our Dallas office include overall corporate management, refinery and HEP management, planning and strategy, corporate finance, crude acquisition, logistics, contract administration, marketing, investor relations, governmental affairs, accounting, tax, treasury, information technology, legal and human resources support functions.

Human Capital

Our People

Our people differentiate us from our peers. Our “One HFC Culture” focuses on five key values – safety, integrity, teamwork, ownership and inclusion. These values influence our decisions, shape our behaviors and provide the opportunity for our employees to thrive. Safety is our first priority. We care about our people and have implemented policies and procedures designed to help make sure they return home safely every day. We focus on integrity and doing the right thing. We champion a culture of teamwork and ownership by supporting each other and empowering employees to take action where they see a need or opportunity. Inclusion reflects our desire to foster a work environment in which employees feel valued and included in decisions, opportunities and challenges.

As of December 31, 2021, we had 4,208 employees located in the following geographies: 3,325 employees in the United States, 640 employees in Canada and 243 employees in Europe and Asia. As of December 31, 2021, 1,345 employees were covered by collective bargaining agreements with various expiration dates ranging between 2021 and 2024. We have experienced no material interruptions of operations due to disputes with our employees and management attempts to have and believes that we have positive working relationships with our local unions and their members.

Oversight

Our board of directors (the “Board of Directors”) and Board committees provide oversight on our strategies and policies related to human capital management. Our Compensation Committee is responsible for periodically reviewing HollyFrontier’s strategies and policies regarding the promotion of employee diversity, equity and inclusion, talent and performance management, pay equity and employee engagement, as well as our executive succession planning. Our Nominating, Governance and Social Responsibility Committee oversees our policies and practices regarding human rights in our operations and supply chain. This high level oversight is designed to ensure that our actions are well aligned with our strategies in attracting, retaining and developing a workforce that aligns with our values and strategies.

Diversity & Inclusion

Our leadership is committed to attracting, retaining and developing a highly engaged, high-performing, diverse workforce and cultivating an inclusive workplace where all employees feel valued and have a sense of belonging. Increasing our diversity and inclusion efforts is an organizational priority and strategic oversight of our efforts is provided by our Compensation Committee. We have introduced diversity awareness programs focused on increasing the number of underrepresented persons in engineering roles in our refineries and corporate office. Our university recruiting team has partnered with historically Black colleges and universities to offer full-time and summer internship opportunities and various diversity and inclusion organizations at universities to sponsor and participate in events, such as the North Texas Women’s Energy Network and the National Society of Black Engineers Convention. In addition, to help foster a culture of inclusion, we have two employee resource groups, one focused on developing talent at HollyFrontier by fostering relationships through education, networking and leadership development opportunities and the other focused on veterans. In 2021, we formed an Inclusion and Diversity Working Group comprised of employees across our organization to develop and further implement our inclusion and diversity initiatives, to gather and report best practices related to inclusion and diversity and to assist in developing ongoing inclusion and diversity goals and objectives.

Health & Safety

The safety of our employees, contractors and communities is an overarching priority and fundamental to our operational success. We are grounded by our “Goal Zero” vision, which reflects our belief that safe production can be achieved each and every day. Our commitment to safety is embedded throughout our organization, from frontline employees and contractors to our executive leadership and Board of Directors. Our Operational Excellence Management System provides the framework through which we identify, monitor and reduce risks. Our Environment, Health and Safety (“EHS”) Leadership Council, comprised of company executives, including our CEO, business unit leaders and corporate safety specialists, sets EHS strategy and reviews performance. The Environmental, Health, Safety and Public Policy Committee of our Board of Directors provides board-level oversight of our strategies and performance in these areas.

In an effort to achieve Goal Zero, our employee and contractor safety education and training programs are conducted on an ongoing basis. We set specific goals for workplace safety and measure attainment of those goals. Over the past five years ended December 31, 2021, our OSHA total recordable incident rate (“TRIR”) declined by 48 percent. In response to the COVID-19 pandemic, and with the health and safety of our employees as a top priority, we have modified our business practices, if and when necessary, including limiting employee and contractor presence at our facilities to essential operating personnel, using a work from home policy, restricting travel, and quarantining employees.

Total Rewards & Development

We believe that the health of our company is linked to the performance and health of our people. We want to inspire and empower our employees to feel confident in their long-term well-being and are committed to offering a comprehensive and competitive total rewards programs for our employees, as benchmarked against our peers. While our benefit offerings vary depending on each country’s market practices, they are designed to support employee health, financial and emotional needs. Our benefits include comprehensive coverage for health care, a competitive retirement savings benefit, vacation and holiday time and other income protection and work life benefits. We also provide tools to help recognize and reward employee performance consistent with our One HFC Culture.

Consistent with our culture of ownership and growth, we offer training, development and engagement programs across every level of our organization to provide employees the opportunity to develop their career by enhancing skills and capabilities consistent with the needs of the business. In 2019, we launched HFC LEAD. “LEAD” stands for Leadership, Excellence and Development and is comprised of a number of programs focused on developing current and future leaders, including the Future HFC Leader Development, Front Line Leader, and Leading the HFC Way programs. We invested \$6.0 million in our employee training and development programs in fiscal 2021.

Governmental Regulation

Our operations are subject to international, federal, state, provincial and local laws and regulations regarding, among other things, the generation, storage, handling, use, transportation and distribution of petroleum and hazardous substances by pipeline, truck, rail, ship and barge, the emission and discharge of materials into the environment, waste management, characteristics and composition of gasoline and diesel fuels, and other matters otherwise relating to the protection of human health and the environment. Permits or other authorizations are required under these laws and regulations for the operation of our refineries, pipelines and related facilities and these permits and authorizations are subject to revocation, modification and renewal, or may require operational changes, which may involve significant costs. Our operations are also subject to various international and domestic laws and regulations relating to occupational health and safety, and failure to appropriately manage occupational health and safety risks associated with our business could adversely impact our employees, communities, stakeholders, reputation and results of operations.

A violation of permit conditions or a failure to comply with applicable laws and regulations may result in the assessment of sanctions, including administrative, civil and criminal penalties; the imposition of investigatory, remedial or corrective action obligations or the incurrence of capital expenditures; the occurrence of delays in the permitting, development or expansion of projects; the issuance of injunctive relief limiting or prohibiting certain operations; and reputational harm. There is also the potential for liability for spill response and remediation, natural resource damage claims, and personal and property damage claims if there were to be an oil spill at a facility located near federal or state waters or a release of hazardous substances.

Compliance with applicable environmental laws, regulations and permits or other authorizations and health and safety laws and regulations will continue to have an impact on our operations, the results of our operations and our capital expenditures.

Rate Regulation - Some of HEP’s existing pipelines are considered interstate common carrier pipelines subject to regulation by the Federal Energy Regulatory Commission (“FERC”) under the Interstate Commerce Act (the “ICA”). The ICA requires that the rates charged for transportation on oil pipelines, a category that includes crude oil and petroleum product pipelines, be just and reasonable and not unduly discriminatory. The FERC regulations implementing the ICA further require that the rates and rules for transportation service on our oil pipelines be filed with the FERC. The ICA permits interested persons to challenge newly proposed or changed rates or rules and authorizes FERC to suspend the effectiveness of such proposed rates or rules for a period of up to seven months and to investigate such rates. If, upon completion of an investigation, FERC finds that the proposed rate is unlawful, it is authorized to require the carrier to refund the revenues collected during the pendency of the investigation that are in excess of the amount that the FERC determines to be just and reasonable. FERC also may investigate, upon complaint or on its own motion, rates that are already in effect and may order a carrier to change its rates prospectively. Upon an appropriate showing, a shipper may obtain reparations for damages sustained during the two years prior to the filing of a complaint.

Oil pipeline carriers may change their rates in accordance with a FERC-approved indexing methodology, which allows oil pipeline carriers to charge rates up to a prescribed ceiling level that changes annually based on the year-to-year change in the U.S. Producer Price Index for Finished Goods (“PPI”). Shippers may protest rate increases made within the ceiling levels, but such protests must show that the portion of the rate increase resulting from application of the index is substantially in excess of the oil pipeline’s increase in costs from the previous year. Oil pipeline carriers as a general rule utilize this indexing methodology to change their rates. Cost-of-service ratemaking, market-based rates and settlement rates are alternatives to the indexing approach and may be used in certain specified circumstances to change rates.

For the five-year period ending June 30, 2021, oil pipeline carriers were permitted to adjust the indexed rate ceiling annually by PPI plus 1.23%. On December 17, 2020, the FERC issued a final rule setting the index for the five-year period beginning July 1, 2021 at PPI plus 0.78%. Because the index was negative, oil pipeline carriers, including HEP’s pipelines, were required to reduce rates that would otherwise be above the indexed rate ceiling. Several shippers requested rehearing of the FERC’s order and, on January 20, 2022, the FERC issued an order further reducing the index to PPI minus 0.21%. As a result, oil pipeline carriers are required to further reduce rates that would be above the new indexed rate ceiling by March 1, 2022. Such reduced rates will be in effect from March 1, 2022 until July 1, 2022. Prior to June 1, 2022, the FERC will issue a revised index, which could be positive or negative. Rates reflecting this revised index will become effective on July 1, 2022.

The Energy Policy Act of 1992 deemed oil pipeline tariff rates that were (i) in effect for the 365-day period ending on the date of enactment or (ii) in effect on the 365th day preceding enactment and had not been subject to complaint, protest or investigation during the 365-day period, in each case, to be just and reasonable or “grandfathered” under the ICA. The Energy Policy Act also limited the circumstances under which a complaint can be made against such grandfathered rates.

While FERC regulates the rates for interstate shipments on HEP’s refined product pipelines, the New Mexico Public Regulation Commission regulates the rates for intrastate shipments in New Mexico, the Texas Railroad Commission regulates the rates for intrastate shipments in Texas and the Oklahoma Corporation Commission regulates the rates for intrastate shipments in Oklahoma. These state commissions have generally not been aggressive in regulating common carrier pipelines and generally have not investigated the rates or practices of petroleum pipelines in the absence of shipper complaints, and we do not believe the intrastate tariffs now in effect are likely to be challenged. However, a state regulatory commission could investigate HEP’s rates if such a challenge were filed.

In addition, if any of HEP’s pipelines were found to have provided services or otherwise operated in violation of the ICA, this could result in the imposition of administrative and criminal remedies and civil penalties, as well as a requirement to disgorge charges collected for such services in excess of the rate established by the FERC. Any of the foregoing could adversely affect revenues and cash flow related to the affected assets.

Air Regulation - Our operations are subject to certain requirements of the federal Clean Air Act (“CAA”) as well as related state and local laws and regulations, as well as similar laws in Canada and the Netherlands. Certain CAA regulatory programs applicable to our facilities require capital expenditures for the installation of certain air pollution control devices, operational procedures and expenditures to minimize emissions and to prevent accidental releases of hazardous air pollutants, and monitoring and reporting of emissions. Additionally, the Environmental Protection Agency (“EPA”) has the authority under the CAA to modify the formulation of the refined transportation fuel products we manufacture in order to limit the emissions associated with their final use. For example, implementation of the revised National Ambient Air Quality Standards (“NAAQS”) for ozone could result in stricter permitting requirements, a delay in or the inability to obtain such permits, and increased expenditures for pollution control equipment, the costs of which could be significant. Moreover, an EPA rule became effective in January 2018 that requires, among other things, benzene monitoring at the refinery fence line and submittal of fence line monitoring data to the EPA on a quarterly basis; upgraded storage tank controls requirements, including new applicability thresholds; enhanced performance requirements for flares, continuous monitoring of flares and pressure release devices, and analysis and remedy of flare release events; compliance with emissions standards for delayed coking units; and requirements related to air emissions resulting from startup, shutdown and maintenance events. These new rules, as well as subsequent rulemaking under the CAA or similar laws, or new agency interpretations of existing laws and regulations, may necessitate additional expenditures in future years and result in increased costs on our operations.

Fuel Quality Regulation - We are subject to the EPA’s Control of Hazardous Air Pollutants from Mobile Sources (also known as the Mobile Source Air Toxics rule, or “MSAT2”) regulations that impose reductions in the benzene content of our produced gasoline. In addition to reducing benzene concentration in our gasoline, our refineries currently purchase benzene credits to meet these requirements. If economically justified or otherwise determined to be beneficial, we may implement additional benzene reduction projects to eliminate or reduce the need to purchase benzene credits.

Pursuant to the Energy Independence and Security Act of 2007 (“EISA”), and the EPA’s corresponding Renewable Fuel Standard (“RFS”) regulations, most refiners are required to blend increasing amounts of biofuels with refined products through 2022 or purchase Renewable Identification Numbers (“RINs”) in lieu of blending. Under the RFS, the percentage of renewable fuels that refineries are obligated to blend into their finished petroleum products is adjusted annually. In November 2018, the EPA finalized the RFS targets for 2019, which maintained the volume required for conventional (i.e., corn ethanol) renewable fuel, increased the volume required for advanced biofuels compared to the prior targets, and increased the volume required for cellulosic biofuel compared to the 2018 RFS requirements. The EPA also increased the biomass-based diesel volume for 2020 compared to 2019. The EPA has not yet finalized the 2021 RFS requirements for any fuel other than biodiesel, creating some uncertainty regarding our compliance obligations for 2021. Because the EISA requires specified volumes of biofuels, if the demand for motor fuels decreases in future years, even higher percentages of biofuels may be required.

The EPA has historically used its waiver authority to establish volumes lower than the statutory volumes required by EISA, but the EPA’s interpretation of its waiver authority, as well as its implementation of the RFS, has been subject to numerous court challenges. Lawsuits have been filed by the renewable fuel industry challenging the EPA’s grant of small refinery exemptions. For additional information regarding risks relating to our small refinery exemptions, see Item 1A, “Risk Factors - The availability and cost of renewable identification numbers and other required credits could have an adverse effect on our financial condition and results of operations.” Legal challenges of the EPA’s decision are ongoing. We cannot predict the outcome of these matters or whether they may result in increased RFS compliance costs. There also continues to be a shortage of advanced biofuel production resulting in increased difficulties meeting RFS mandates. As a result, we may be unable to blend sufficient quantities of renewable fuel to meet our requirements and, therefore, may have to purchase an increasing number of RINs. It is not possible at this time to predict with certainty what those volumes or costs may be, but given the potential increase in volumes and the volatile price of RINs, increases in renewable volume requirements could have an adverse impact on our results of operations.

Finally, while there is no current regulatory standard that authenticates RINs that may be purchased on the open market from third parties, we believe that the RINs we purchase are from reputable sources, are valid and serve to demonstrate compliance with applicable RFS requirements. However, if any of the RINs purchased by us on the open market are subsequently found by the EPA to be invalid, we could incur significant costs, penalties, or other liabilities in connection with replacing any invalid RINs and resolving any enforcement action brought by the EPA.

In April 2014, the EPA promulgated the Tier 3 Motor Vehicle Emission and Fuel Standards, which requires a reduction in annual average gasoline sulfur content from 30 ppm to 10 ppm. These requirements, other CAA requirements, and other presently existing or future environmental regulations may cause us to make substantial capital expenditures and purchase sulfur credits at significant cost to enable our refineries to produce products that meet applicable requirements.

Climate Change - In recent years, various legislative and regulatory measures to address climate change and greenhouse gas (“GHG”) emissions (including carbon dioxide, methane and nitrous oxides) have been discussed or implemented. They include proposed and enacted federal regulation and state actions to develop statewide, regional or nationwide programs designed to control and reduce GHG emissions from stationary sources, such as our refineries, as well as power plants, mobile transportation sources and fuels. Measures to date have included but are not limited to cap and trade programs, carbon taxes, vehicle efficiency standards, electric vehicle mandates, combustion engine phaseouts and low carbon fuel standards. Although it is not possible to predict the requirements of any GHG legislation that may be enacted, any laws or regulations that may be adopted to restrict or reduce GHG emissions will likely require us to incur increased operating and capital costs.

In August 2015, the EPA finalized the “Clean Power Plan” requiring states to reduce carbon dioxide emissions from coal-fired power plants that would likely result in a combination of plant closures, switching to renewable energy and natural gas, and demand reduction. However, in July 2019, the EPA issued a rule titled the Affordable Clean Energy (“ACE”) Rule, which replaced the Clean Power Plan and was focused solely on electric generating units. However, in January 2021, the D.C. Circuit vacated the ACE Rule, and prior challenges to the Clean Power Plan are pending before the Supreme Court. Neither the Clean Power Plan nor the ACE Rule would directly affect our operations. To the extent the EPA fully implements a rule that imposes higher costs on electricity generating units it could result in increased power costs for our refineries in future years.

EPA rules require us to report GHG emissions from our refinery operations and consumer use of fuel products produced at our refineries on an annual basis. While the cost of compliance with the reporting rule is not material, data gathered under the rule may be used in the future to support additional regulation of GHG. Moreover, the EPA directly regulates GHG emissions from refineries and other major sources through the Prevention of Significant Deterioration (“PSD”) and Federal Operating Permit programs and may require Best Available Control Technology (“BACT”) for GHG emissions above a certain threshold if emissions of other pollutants would otherwise require PSD permitting. While this does not impose any limits or controls on GHG emissions from current operations, future projects or operational changes that increase GHG emissions, such as capacity increases, may be subject to emission limits or technological requirements pertaining to GHG emissions, such as BACT.

Stakeholder concerns about climate change could also adversely affect demand for the refined petroleum products that we produce. Recently, certain financial institutions, funds and other sources of capital have made pledges to reduce GHGs in their lending portfolios, leading some to restrict or eliminate their investment in oil and natural gas activities. There is also a risk that financial institutions will be required to adopt policies that have the effect of reducing the funding provided to the fossil fuel sector as a result of future government regulations. Ultimately, this could make it more difficult to secure funding for exploration and production activities and result in decreased production of oil, which indirectly could have an adverse impact on our operations.

Finally, climatic events in the areas in which we operate, whether from climate change or otherwise, can cause disruptions and in some cases delays in our production activities or ability to deliver our products to our customers. These events, including but not limited to, drought, winter storms, wildfire, extreme temperatures, extreme precipitation or flooding, may become more intense or more frequent as a result of climate change and could have an adverse effect on our continued operations as well as the operations of our suppliers and customers. Additionally, changing meteorological conditions, particularly temperature, may result in changes to demand for our products. Our customers or suppliers may also be subject to similar risks, any of which may adversely impact our business, financial condition, or operations.

The Biden Administration has adopted an “all of government” approach to climate change in which the federal government would use not only its regulatory and enforcement authority but also its policy and purchasing power to encourage investment and use of renewable energy sources and to otherwise impede and reduce fossil fuel use. This approach may include elements that could directly or indirectly result in decreased demand for transportation fuel and could have an adverse impact on our operations. For example, in 2021, President Biden issued several executive orders that committed to substantial action on climate change and called for, among other things, the increased use of zero-emission vehicles by the federal government, the elimination of subsidies provided to the fossil fuel industry, and increased emphasis on climate-related risks across governmental agencies and economic sectors. In 2021, EPA announced its intent to reconsider and revise rules related to the oil and gas sector to further reduce GHG emissions and issued a proposed rule that would extend to existing petroleum and natural gas sources. In addition, the EPA, together with the DOT, implemented GHG emission and corporate average fuel economy standards for vehicles manufactured in the United States, which standards were revised in December 2021 to impose more stringent requirements for emissions reductions.

Internationally, the United Nations-sponsored Paris Agreement requires member countries to submit non-binding, individually determined emissions reduction goals every five years after 2020. The United States initially joined and then withdrew from such agreement in 2020. In 2021, the United States rejoined the Paris Agreement and issued its corresponding “nationally determined contribution” (“NDC”) to reduce economy-wide net GHG emissions to 50-52% below 2005 levels by 2030. While the NDC does not identify specific actions necessary to achieve these reductions, it lists several sectors as pathways for reductions, including the power, transportation, building, industrial, and agricultural sectors. The administration has acknowledged a combination of regulatory actions and legislation will be necessary to achieve the U.S. NDC. In regards to legislation, in November 2021, the United States enacted a nearly \$1 trillion bipartisan infrastructure law, which provided significant funding for electric vehicles and clean energy technologies. A separate climate spending bill known as the Build Back Better Act, which could impose a fee on methane emissions, among other GHG provisions, remains under consideration in the United States Congress. Ultimately, the impacts of these orders, and the terms of any legislation or regulation to implement the United States’ commitment under the Paris Agreement, remain unclear at this time.

In the Netherlands, increased attention to climate change has led to changes in laws and to new laws, such as the Climate Act, and has also led to increased frequency of climate change lawsuits.

Water Discharges - Our operations are also subject to the Federal Clean Water Act (“CWA”), the Federal Safe Drinking Water Act (“SDWA”) and comparable state and local requirements, as well as similar laws in Canada and the Netherlands. The CWA, the SDWA and analogous laws prohibit any discharge into surface waters, ground waters, injection wells and publicly-owned treatment works except in conformance with legal authorization, such as pre-treatment permits and National Pollutant Discharge Elimination System (“NPDES”) permits, issued by federal, state and local governmental agencies. The EPA commenced a study from 2015-2017 related to the discharges of metals and dioxin from petroleum refining operations and wastewater discharges from refineries in connection with the consideration of new effluent limitation guidelines that would be incorporated into refinery sector NPDES permits. To date, the EPA has not proposed any new effluent limitation guidelines applicable to our operations, but future rulemakings related to this issue could require us to incur increased costs related to the treatment of wastewater resulting from our operations.

The CWA also regulates filling or discharges to wetlands and other “waters of the United States.” On January 23, 2020, the EPA, in conjunction with the U.S. Army Corps of Engineers (the “Corps”), issued a final rule regarding the definition of “waters of the United States,” which rule became effective June 22, 2020 and narrowed the regulatory reach of the CWA regulations relative to a prior 2015 rulemaking. Because the rule does not expand the scope of the CWA’s jurisdiction, it will not likely adversely impact our operations; however, the final rule is subject to litigation, and multiple challenges to the EPA’s prior rulemakings remain pending, both of which create uncertainty. In December, 2021, the Biden Administration announced a proposed rule to revise the definition of “waters of the United States,” which would generally reinstate the pre-2015 definition of “waters of the United States.” A new CWA regulation would expand jurisdiction relative to the June 2020 rule and would likely be subject to further litigation, creating additional uncertainty.

Hazardous Substances and Wastes - We generate wastes that may be subject to the Resource Conservation and Recovery Act and comparable state and local requirements, as well as similar laws in Canada and the Netherlands. The EPA and various state agencies have limited the approved methods of disposal for certain hazardous and non-hazardous wastes. Although the EPA is currently working on several rulemakings that could impact how our refineries manage various waste streams, it does not appear that these rules will significantly impact our refineries.

The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), also known as “Superfund,” imposes strict, and under certain circumstances, joint and several liability on certain classes of persons who are considered to be responsible for the cost of cleaning up hazardous substances that have been released into the environment and for damages to natural resources. These persons include current and former owners or operators of property where a release has occurred, and any persons who disposed of, or arranged for the transport or disposal of, hazardous substances at the property. In the course of our historical operations, as well as in our current operations, we have generated waste, some of which falls within the statutory definition of a “hazardous substance” and some of which may have been disposed of at sites that may be subject to cleanup and cost recovery actions under CERCLA in the future. Similarly, locations now owned or operated by us, where third parties have disposed such hazardous substances in the past, may also be subject to cleanup and cost recovery actions under CERCLA. Some states have enacted laws similar to CERCLA which impose similar responsibilities and liabilities on responsible parties. It is also not uncommon for neighboring landowners and other third parties to file claims under state law for personal injury and property damage allegedly caused by hazardous substances or other pollutants released into the environment. Many states also have similar liability regimes that impose strict and potentially joint and several liability for releases into the environment.

Oil Pollution Liability - The Oil Pollution Act of 1990 (“OPA”) and regulations thereunder generally subject owners and operators of facilities to strict, joint and several liability for all containment and cleanup costs, natural resource damages, and potential governmental oversight costs arising from oil spills into the waters of the U.S. The OPA also imposes ongoing requirements on a responsible party, including the preparation of oil spill response plans and proof of financial responsibility to cover environmental cleanup and restoration costs that could be incurred in connection with an oil spill. Likewise, the CWA contains provisions that also impose similar liabilities for oil spills, and regulations under the CWA imposed prevention and response planning requirements applicable to many of our facilities. These liability regimes, as well as the rules under the OPA and CWA, or new agency interpretations of existing laws and regulations, may necessitate additional expenditures in future years and result in increased costs of our operations.

Other Environmental Regulations - Our Canadian assets and operations are also required to comply with various Canadian federal, provincial and municipal regulations. The regulations are in many cases conceptually similar to those described above for our U.S. operations. The principal legislation affecting our Canadian operations is the Canadian Environmental Protection Act, the Fisheries Act, the Greenhouse Gas Pollution Pricing Act and their regulations at a federal level and various provincial statutes and regulations such as the Ontario Environmental Protection Act, the Ontario Occupational Health and Safety Act and the Ontario Water Resources Act. All these laws contain broad prohibitions against causing harm to air, land, water, people or any other living organism and in many cases contain detailed prescriptive rules governing many aspects of our operations.

Regulatory trends towards more stringent emission requirements and operating controls are expected to continue at federal, provincial and local levels.

Additionally, our assets and operations in the Netherlands are required to comply with Dutch regulations that are similar to, and in some cases more stringent than, those described above for our U.S. operations. The statutes to which our Dutch assets and operations are subject include the Environmental Protection Act, the Activities Decree, the Environmental Licensing (General Provisions) Act, the Water Act, the Soil Protection Act, the Major Accidents (Risks) Decree, the European Birds and Habitats Directive implemented in the Nature Conservation Act, and other subordinate decrees and regulations relative to environmental control, permitting and enforcement. However, a large legislative operation is being developed that should lead to the integration of all environmental laws in one, being the Environment and Planning Act, which is expected to enter into force in July 2022. Generally, these regulations create a system of environmental permits covering the most significant emissions to water, air and soil, as well as other environmental impacts. The Netherlands also participates in certain broader European legal initiatives, including GHG cap and trade programs. Additionally, in December 2019, the High Council of the Netherlands upheld a court order for the government of the Netherlands to reduce the country's GHG emissions by 25% (compared to 1990) by 2020, and in January 2020, the Climate Act came into force, with the goal of significantly reducing GHG emissions by 49% (compared to 1990) by 2030 and by at least 95% (compared to 1990) by 2050. Furthermore, the target is that 100% of the electricity production will be CO2 neutral in 2050.

Enforcement and Litigation Proceedings - As is the case with all companies engaged in industries similar to ours, we face potential exposure to future claims and lawsuits involving environmental matters. These matters include statutory and regulatory programs related to soil and water discharges and contamination, air pollution, and GHG emissions, as well as personal injury and property damage allegedly caused by substances that we manufactured, handled, used, released or disposed. We currently have environmental remediation projects that relate to recovery, treatment and monitoring activities resulting from past releases of refined product and crude oil into the environment. As of December 31, 2021, we had an accrual of \$117.2 million related to such environmental liabilities.

We are and have been the subject of various local, state, provincial, federal and private proceedings and inquiries relating to compliance with environmental laws and regulations and conditions, including those discussed above. Compliance with current and future environmental regulations is expected to require additional expenditures, including expenditures for investigation and remediation, which may be significant. To the extent that future expenditures for these purposes are material and can be reasonably determined, these costs are disclosed and accrued, if applicable.

Safety and Accident Prevention - Our operations are subject to various laws and regulations relating to occupational health and safety, including the Occupational Safety and Health Act ("OSHA"), comparable state statutes, Canadian regulations applicable to our operations in Canada and Dutch regulations, including the Health and Safety Act and other subordinate decrees and regulations, applicable to our operations in the Netherlands. We maintain a comprehensive safety program, including mechanical integrity and safety-related maintenance programs and training, to comply with all applicable laws and regulations to protect the safety of our workers and the public. Some of our operations are also subject to OSHA Process Safety Management ("PSM") regulations and EPA Risk Management Plan ("RMP") regulations, both of which are designed to prevent or minimize chemical accidents and any resulting releases of toxic, reactive, flammable or explosive chemicals. In January 2017, the EPA revised the RMP requirements for incident investigation and accident history reporting, emergency preparedness, and the performance of process hazard analyses and third party compliance audits. Many of the revised requirements do not become effective until 2021, and the EPA issued a final rule in December 2019 that rescinded several of the requirements of the 2017 rule. The Biden Administration may consider reissuing some of the rescinded requirements or making other changes. Also in January 2017, OSHA announced changes to its National Emphasis Program, which specifically identified oil refineries as facilities for increased inspections and instructed inspectors to use data gathered from EPA RMP inspections to identify refiners for additional PSM inspections. Compliance with applicable state and federal occupational health and safety laws and regulations, as well as environmental regulations, has required, and continues to require, substantial expenditures.

Occupational health and environmental legislation, regulations and regulatory programs change frequently. We cannot predict what additional occupational health and environmental legislation or regulations will be enacted or become effective in the future or how existing or future laws or regulations will be administered or interpreted with respect to our operations. Compliance with more stringent laws or regulations or adverse changes in the interpretation of existing laws or regulations by government agencies could have an adverse effect on our financial position and the results of our operations and could require substantial expenditures for the installation and operation of systems and equipment that we do not currently possess.

Insurance

Our operations are subject to hazards of operations, including fire, explosion and weather-related perils. We maintain various insurance coverages, including business interruption insurance, subject to certain deductibles. We are not fully insured against certain risks because such risks are not fully insurable, coverage is unavailable, or premium costs, in our judgment, do not justify such expenditures.

We have a risk management oversight committee consisting of members from our senior management. This committee oversees our risk enterprise program, monitors our risk environment and provides direction for activities to mitigate identified risks that may adversely affect the achievement of our goals.

Item 1A. Risk Factors

Risk Factor Summary

Investing in us involves a degree of risk. You should carefully consider all information in this Form 10-K, including the Management's Discussion & Analysis section and the financial statements and related notes, prior to investing in our common stock. These risks and uncertainties include, but are not limited to, the following:

Risks Related to our Business/Industry:

- The prices of crude oil and refined and finished lubricant products materially affect our profitability, and are dependent upon many factors that are beyond our control.
- Our operations are subject to catastrophic losses, operational hazards and unforeseen interruptions and other disruptive risks for which we may not be adequately insured.
- To successfully operate our facilities, we are required to expend significant amounts for capital outlays and operating expenditures. If we are unable to complete capital projects at their expected costs or in a timely manner, our financial condition, results of operations, or cash flows could be materially and adversely affected.
- The COVID-19 pandemic, actions taken in response thereto, and certain global oil market developments, have had and may continue to have a material adverse effect on our business.
- Competition in the refining and marketing industry and in our lubricants and specialty products segment is highly competitive, and an increase in competition could adversely affect our earnings and profitability.
- A disruption to or proration of the refined product distribution systems or manufacturing facilities we utilize could negatively impact our profitability.
- A material decrease in the supply, or a material increase in the price, of crude oil or other raw materials or equipment available to our refineries and other facilities could significantly reduce our production levels and negatively affect our operations.
- Terrorist attacks, and the threat of terrorist attacks or vandalism, have resulted in increased costs to our business. Continued global hostilities or other sustained military campaigns may adversely impact our results of operations.
- Our business may suffer due to a change in the composition of our Board of Directors, or the departure of any of our key senior executives or other key employees. Furthermore, a shortage of skilled labor may make it difficult for us to maintain labor productivity.
- A portion of our workforce is unionized, and any disruptions in our labor force or adverse employee relations could adversely affect our business.
- Our business is subject to the risks of international operations, including currency fluctuations.
- Potential product, service or other related liability claims and litigation could adversely affect our business, reputation and results of operations.
- We depend upon HEP for a substantial portion of the crude supply and distribution network that serve our refineries, and we own a significant equity interest in HEP.
- Certain of our facilities and assets are located on or adjacent to Native American tribal lands, which may be subject to access restrictions. Furthermore, our operations are subject to potentially disruptive activity by those concerned with our industry.
- An impairment of our goodwill or long-lived assets could reduce our earnings or negatively impact our financial condition and results of operations.
- We sell many of our lubricants and specialty products through distributors, which presents risks that could adversely affect our operating results.
- The market price of our common stock may fluctuate significantly, and the value of a stockholder's investment could be impacted.

Risks Related to Our Acquisition Strategy and Recent/Pending Acquisitions

- Our acquisition strategy involves numerous risks, any of which could adversely affect us.
- The pending Sinclair Transactions may not be consummated on a timely basis or at all. Failure to complete the acquisition within the expected timeframe or at all could adversely affect our stock price and our future business and financial results.
- In order to complete the Sinclair Transactions, both we and Sinclair must obtain certain governmental approvals, and if such approvals are not granted with conditions that become applicable to the parties, completion of the transactions may be jeopardized or prevented or the anticipated benefits of the transactions could be reduced.
- The Sinclair Transactions will require management to devote significant attention and resources to integrating the acquired Sinclair businesses with our business.
- The actual value of the consideration we will pay to Sinclair at closing may exceed the value allocated to such consideration at the time we entered into the Business Combination Agreement.
- We will issue a large number of shares New Parent Common Stock in connection with the Sinclair Transactions, which will result in dilution to our existing stockholders and may cause the market price of our common stock to decline in the future as the result of sales of our common stock owned by Sinclair stockholders or current HollyFrontier stockholders. Our stockholders may not realize a benefit from the Sinclair Transactions commensurate with the ownership dilution they will experience.
- Sinclair will become a significant holder of the combined company's common stock following completion of the Sinclair Transactions, and as a result, will have the ability to influence our management and affairs.
- The Sinclair Transactions will expand our branded marketing and licensing business, and we could face a variety of risks as a result of this business expansion.
- Litigation relating to the Sinclair Transactions could result in substantial costs to HollyFrontier or an injunction preventing the completion of the Sinclair Transactions.

Risks Related to Government Regulation

- We incur significant costs, and expect to incur additional costs in the future, to comply with existing, new and changing environmental and health and safety laws and regulations, and face potential exposure for environmental matters.
- There are various risks associated with greenhouse gases and climate change, including increased regulation of CO2 emissions, that could result in increased operating costs and litigation and reduced demand for the refined products we produce and investment in our industry.
- Physical impacts of climate change could have an adverse effect on our financial condition and results of operations.
- The availability and cost of renewable identification numbers and other required credits could have an adverse effect on our financial condition and results of operations.
- Compliance with and changes in tax laws could materially and adversely impact our financial condition, results of operations and cash flows.

Risks Related to Cybersecurity, Data Security, Information Technology and Intellectual Property

- Cyberattacks, data security breaches, information technology system failures, network disruptions, terrorist attacks or vandalism, continued global hostilities or other sustained military campaigns could have a material adverse effect on our business, financial condition and results of operations.
- Our business is subject to complex and evolving global laws, regulations and security standards regarding privacy, cybersecurity and data protection, which could result in claims, increased cost of operations, or otherwise harm our ability to compete in the market.
- We may be unable to adequately protect our intellectual property, which may increase our cost of doing business or otherwise hurt our ability to compete in the market.
- If we fail to comply with our obligations under license or technology agreements with third parties or are unable to license rights to use technologies on reasonable terms, we may be required to pay damages or could potentially lose license rights that are critical to our business.

Risks Related to Liquidity, Financial Instruments and Credit

- We may not be able to obtain funding on acceptable terms or at all because of volatility and uncertainty in the credit and capital markets. This may hinder or prevent us from meeting our future capital needs.
- We are exposed to the credit risks, and certain other risks, of our key customers and vendors.

- Changes in our credit profile, or a significant increase in the price of crude oil, may affect our relationship with our suppliers, which could have a material adverse effect on our liquidity and limit our ability to purchase sufficient quantities of crude oil to operate our refineries at desired capacity.
- Our credit facility contains certain covenants and restrictions that may constrain our business and financing activities.
- Our hedging transactions may limit our gains and expose us to other risks.
- We have temporarily suspended our quarterly dividends and may be unable to pay future dividends.

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 operations. If any of the following risks were to actually occur, our business, financial condition, results of operations could be materially and adversely affected. The headings provided in this Item 1A. are for convenience and reference purposes only and shall not affect or limit the extent or interpretation of the risk factors.

RISKS RELATED TO OUR BUSINESS/INDUSTRY

The prices of crude oil and refined and finished lubricant products materially affect our profitability, and are dependent upon many factors that are beyond our control, including general market demand and economic conditions, seasonal and weather-related factors, regional and grade differentials and governmental regulations and policies.

Among these factors is the demand for crude oil and refined and finished lubricant products, which is largely driven by the conditions of local and worldwide economies, as well as by weather patterns, changes in consumer preferences and the taxation of these products relative to other energy sources. Governmental regulations and policies, particularly in the areas of taxation, energy and the environment, and more recently in response to the COVID-19 pandemic, also have a significant impact on our activities. Operating results can be affected by these industry factors, product and crude pipeline capacities, crude oil differentials (including regional and grade differentials), changes in transportation costs, accidents or interruptions in transportation, competition in the particular geographic areas that we serve, global market conditions, actions by foreign nations and factors that are specific to us, such as the success of particular marketing programs and the efficiency of our refinery operations. The demand for crude oil and refined and finished lubricant products can also be reduced due to a local or national recession or other adverse economic condition, which results in lower spending by businesses and consumers on gasoline and diesel fuel, higher gasoline prices due to higher crude oil prices, a shift by consumers to more fuel-efficient vehicles or alternative fuel vehicles (such as ethanol or wider adoption of gas/electric hybrid vehicles), or an increase in vehicle fuel economy, whether as a result of technological advances by manufacturers, legislation mandating or encouraging higher fuel economy or the use of alternative fuel.

We do not produce crude oil and must purchase all our crude oil, the price of which fluctuates based upon worldwide and local market conditions. Our profitability depends largely on the spread between market prices for refined petroleum products and crude oil prices. This margin is continually changing and may fluctuate significantly from time to time. Crude oil and refined products are commodities whose price levels are determined by market forces beyond our control. For example, the reversal of certain existing pipelines or the construction of certain new pipelines transporting additional crude oil or refined products to markets that serve competing refineries could affect the market dynamic that has allowed us to take advantage of favorable pricing. A deterioration of crack spreads or price differentials between domestic and foreign crude oils could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Additionally, due to the seasonality of refined products markets and refinery maintenance schedules, results of operations for any particular quarter of a fiscal year are not necessarily indicative of results for the full year and can vary year to year in the event of unseasonably cool weather in the summer months and/or unseasonably warm weather in the winter months in the markets in which we sell our petroleum products. For example, commodity prices for oil and natural gas increased in the first half of 2021, in part due to adverse weather events along the Gulf Coast, including winter storm Uri, that impacted suppliers in those areas. In general, prices for refined products are influenced by the price of crude oil. Although an increase or decrease in the price for crude oil may result in a similar increase or decrease in prices for refined products, there may be a time lag in the realization of the similar increase or decrease in prices for refined products. The effect of changes in crude oil prices on operating results, therefore, depends in part on how quickly refined product prices adjust to reflect these changes. A substantial or prolonged increase in crude oil prices without a corresponding increase in refined product prices, a substantial or prolonged decrease in refined product prices without a corresponding decrease in crude oil prices, or a substantial or prolonged decrease in demand for refined products could have a significant negative effect on our earnings and cash flow. Also, our crude oil and refined products inventories are valued at the lower of cost or market under the last-in, first-out (“LIFO”) inventory valuation methodology. If the market value of our inventory were to decline to an amount less than our LIFO cost, we would record a write-down of inventory and a non-cash charge to cost of products sold even when there is no underlying economic impact at that point in time. Continued volatility in crude oil and refined products prices could result in lower of cost or market inventory charges in the future, or in reversals reducing cost of products sold in subsequent periods should prices recover.

Our operations are subject to catastrophic losses, operational hazards and unforeseen interruptions and other disruptive risks for which we may not be adequately insured.

Our operations are subject to catastrophic losses, operational hazards, unforeseen interruptions and other disruptive risks such as natural disasters, adverse weather, accidents, maritime disasters or casualties (including those involving marine vessels/terminals), fires, explosions, hazardous materials releases or spills, terror or cyberattacks, vandalism, power failures, mechanical failures and other events beyond our control. These events could result in an injury, loss of life, property damage or destruction, as well as a curtailment or an interruption in our operations and may affect our ability to meet customer commitments. In addition, the consequences of any operational incident (including as a result of a maritime disaster or casualty) at our marine terminal facilities may be even more significant as a result of the complexities involved in addressing releases or spills occurring in U.S. federal and/or state waters and/or the repair of marine terminal facilities.

We may not be able to maintain or obtain insurance of the type and amount we desire at commercially reasonable rates and exclusions from coverage may limit our ability to recover the amount of the full loss in all situations. As a result of market conditions, premiums and deductibles for certain of our insurance policies have increased and may continue to increase. In some instances, certain insurance could become unavailable or has become available only for reduced amounts of coverage.

There can be no assurance that insurance will cover all or any damages and losses resulting from these types of hazards. We are not fully insured against all risks to our business and therefore, we self-insure certain risks. If any of our facilities were to experience an interruption in operations, our earnings could be materially adversely affected (to the extent not recoverable through insurance) because of lost production and repair costs.

The energy industry is highly capital intensive, and the entire or partial loss of individual facilities can result in significant costs to both industry companies, such as us, and their insurance carriers. In recent years, several large energy industry claims have resulted in significant increases in the level of premium costs and deductible periods for participants in the energy industry. As a result of large energy industry claims, insurance companies that have historically participated in underwriting energy-related facilities may discontinue that practice or demand significantly higher premiums or deductible periods to cover these facilities. If significant changes in the number or financial solvency of insurance underwriters for the energy industry occur, or if other adverse conditions over which we have no control prevail in the insurance market, we may be unable to obtain and maintain adequate insurance at reasonable cost. In addition, we cannot assure you that our insurers will renew our insurance coverage on acceptable terms, if at all, or that we will be able to arrange for adequate alternative coverage in the event of non-renewal. Further, our underwriters could have credit issues that affect their ability to pay claims. If a significant accident or event occurs that is self-insured or not fully insured, it could have a material adverse effect on our business, financial condition and results of operations.

To successfully operate our facilities, we are required to expend significant amounts for capital outlays and operating expenditures. If we are unable to complete capital projects at their expected costs or in a timely manner, or if the market conditions assumed in our project economics deteriorate, our financial condition, results of operations, or cash flows could be materially and adversely affected.

Our facilities consist of many processing units, a number of which have been in operation for many years. One or more of the units may require unscheduled downtime for unanticipated maintenance or repairs that are more frequent than our scheduled turnaround for such units. Scheduled and unscheduled maintenance could reduce our revenues during the period of time that the units are not operating. We have taken significant measures to expand and upgrade units in our facilities by installing new equipment and redesigning older equipment to improve refinery capacity or to address changes in consumer preferences, such as the growing demand for renewable diesel and other lower carbon fuels. The installation and redesign of key equipment at our facilities, including the construction of the renewable diesel and pre-treatment units at our Artesia facility, involves significant uncertainties, including the following: our upgraded equipment may not perform at expected levels; operating costs of the upgraded equipment may be higher than expected; the yield and product quality of new equipment may differ from design and/or specifications and redesign, modification or replacement of the equipment may be required to correct equipment that does not perform as expected, which could require facility shutdowns until the equipment has been redesigned or modified. Any of these risks associated with new equipment, redesigned older equipment, or repaired equipment could lead to lower revenues or higher costs or otherwise have a negative impact on our future financial condition and results of operations. For example, in the third quarter of 2020, we ceased refining operations at our Cheyenne Refinery due, in part, to uncompetitive operating and maintenance costs for the refinery.

One of the ways we may grow our business is through the construction of new refinery processing units (or the purchase and refurbishment of used units from another refinery) and the conversion or expansion of existing ones, such as the conversion of

the Cheyenne Refinery to renewable diesel production and the connection of a new renewable diesel and a pre-treatment unit in Artesia, New Mexico. Projects are generally initiated to increase the yields of higher-value products, increase the amount of lower cost crude oils that can be processed, increase refinery production capacity, meet new governmental requirements or take advantage of new government incentive programs, or maintain the operations of our existing assets. Additionally, our growth strategy includes projects that permit access to new and/or more profitable markets, including the growing demand for renewable diesel and other lower carbon fuels. The construction process involves numerous regulatory, environmental, political, and legal uncertainties, most of which are not fully within our control, including:

- third party challenges to, denials, or delays with respect to the issuance of requisite regulatory approvals and/or obtaining or renewing permits, licenses, registrations and other authorizations;
- societal and political pressures and other forms of opposition;
- compliance with or liability under environmental regulations;
- unplanned increases in the cost of construction materials or labor;
- disruptions in transportation of modular components and/or construction materials;
- severe adverse weather conditions, natural disasters, terror or cyberattacks, vandalism or other events (such as equipment malfunctions, explosions, fires or spills) affecting our facilities, or those of vendors and suppliers;
- shortages of sufficiently skilled labor, or labor disagreements resulting in unplanned work stoppages;
- market-related increases in a project's debt or equity financing costs; and/or
- nonperformance or force majeure by, or disputes with, vendors, suppliers, contractors, or sub-contractors involved with a project.

If we are unable to complete capital projects at their expected costs or in a timely manner our financial condition, results of operations, or cash flows could be materially and adversely affected. Delays in making required changes or upgrades to our facilities could subject us to fines or penalties as well as affect our ability to supply certain products we make. In addition, our revenues may not increase immediately upon the expenditure of funds on a particular project. For instance, the construction of our previously announced renewable diesel unit and pre-treatment unit at our Artesia facility will occur over an extended period of time and we will not receive any material increases in revenues until after completion of the project. Moreover, we may construct facilities to capture anticipated future growth in demand for refined products or renewable diesel in a region in which such growth does not materialize. As a result, new capital investments may not achieve our expected investment return, which could adversely affect our financial condition or results of operations.

In addition, we expect to execute turnarounds at our refineries, which involve numerous risks and uncertainties. These risks include delays and incurrence of additional and unforeseen costs. The turnarounds allow us to perform maintenance, upgrades, overhaul and repair of process equipment and materials, during which time all or a portion of the refinery will be under scheduled downtime.

Our forecasted internal rates of return are also based upon our projections of future market fundamentals which are not within our control, including changes in general economic conditions, available alternative supply, global market conditions, actions by foreign nations and customer demand.

The COVID-19 pandemic or any other widespread outbreak of an illness or pandemic or other public health crisis, and actions taken in response thereto, as well as certain developments in the global oil markets, have had and may continue to have a material adverse effect on our operations, business, financial condition and results of operations and cash flows.

Our success depends on the demand for petroleum products such as transportation fuels and finished lubricant products, which is largely driven by the conditions of local and worldwide economies, and the supply of crude oil and other feedstocks. COVID-19's spread across the globe and governmental actions in response thereto have negatively affected worldwide economic and commercial activity, significantly impacted global demand for oil, gas and refined products, and created significant volatility and disruption of financial and commodity markets. Other factors currently impacting crude oil supply include production levels implemented by OPEC members, other large oil producers such as Russia and domestic and Canadian oil producers. The oversupply of crude oil in the market has caused certain domestic and Canadian oil producers from whom we source crude oil to shut-in their production, which could impact our ability to readily source crude oil once the stored crude oil is depleted. See "Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Impact of COVID-19 on Our Business" for additional discussion of the impact of COVID-19 on our business.

In addition, the supply and demand for refined and finished lubricant products depends on many other factors outside of our control, some of which include:

- changes in domestic and international demand for, and the marketability of, our refined and finished lubricant products due to governmental actions, including travel bans and restrictions, quarantines, shelter in place orders, and shutdowns, which could result in a full or partial shutdown of our facilities;
- increased price volatility, including the price we receive for refined and finished lubricant products;
- the health of our workforce, including contractors and subcontractors, and their access to our facilities, which could result in a full or partial shutdown of our facilities if a significant portion of the workforce at a facility is impacted;
- the availability, distribution and effectiveness of vaccines for COVID-19;
- the ability or willingness of our vendors and suppliers to provide the equipment, parts, crude oil or other raw materials for our operations or otherwise fulfill their contractual obligations, which could reduce our production levels or otherwise cause our delay or failure to deliver refined or other finished lubricant products timely or at all or cause delay or failure to complete projects at our facilities;
- the ability or willingness of our customers to fulfill their contractual obligations or any material reduction in, or loss of, revenue from our customers;
- increased potential for the occurrence of operational hazards, including terrorism, cyberattacks or domestic vandalism, as well as information system failures or communication network disruptions;
- increased cost and reduced availability of capital for growth or capital expenditures;
- availability and operability of terminals, tankage and pipelines that store and transport crude oil and refined and finished lubricant products;
- delay by government authorities in issuing or maintaining permits necessary for our business or our capital projects;
- shareholder activism and activities by non-governmental organizations to limit sources of funding for the energy sector;
- increased costs of operation in relation to the COVID-19 outbreak, which costs may not be fully recoverable or adequately covered by insurance; and
- the impact of any economic downturn, recession or other disruption of the U.S. and global economies and financial and commodity markets.

Adverse developments in the global economy or in regional economies could also negatively impact our customers and suppliers, and therefore have a negative impact on our business or financial condition. In the event of adverse developments or stagnation in the economy or financial markets, our customers may experience deterioration of their businesses, reduced demand for their products, cash flow shortages and difficulty obtaining financing. As a result, existing or potential customers might delay or cancel plans to purchase our products and may not be able to fulfill their obligations to us in a timely fashion. Further, suppliers may experience similar conditions, which could impact their ability to fulfill their obligations to us.

The spread of COVID-19 has caused us to modify our business practices (including limiting employee and contractor presence at our work locations, restricting travel unless approved by senior leadership, quarantining employees when necessary, reducing our expected total consolidated capital expenditures for 2021 and reducing utilization at our refineries from time to time as needed), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, contractors, customers, suppliers and communities. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus, and our ability to perform critical functions could be adversely impacted. In addition, deterioration in gross margins and the economic slowdown resulting from the COVID-19 pandemic was a contributing factor in certain goodwill and long-lived asset impairments we recorded in 2020. See “An impairment of our goodwill or long-lived assets could reduce our earnings or negatively impact our financial condition and results of operations” for further discussion of the impairment risk in our business and the impairments we recorded in 2020. A reasonable expectation exists that further deterioration in gross margins or a prolonged economic slowdown due to the COVID-19 pandemic could result in an additional impairment of assets or of goodwill at some point in the future. Such impairment charges could be material.

The effects of COVID-19 are difficult to predict and the duration of any potential business disruption or the extent to which it may negatively affect our operating results is uncertain. The extent to which the pandemic will continue to impact our business results and operations remains uncertain in light of the rapidly evolving environment, duration and severity of the spread of the virus, emerging variants, vaccine and booster effectiveness, public acceptance of safety protocols, and government measures, including vaccine mandates, designed to slow and contain the spread of COVID-19, among others, and all of which are beyond our control. In addition, if the volatility and seasonality in the oil and gas industry were to increase, the demand for our products and the prices that we will be able to charge for those products may decline. We continue to monitor the situation to assess further possible implications to our business and to take actions in an effort to mitigate adverse consequences. The effects of the COVID-19 pandemic, as well as the volatility in global oil markets, while uncertain, have and may continue to, materially adversely affect our business, financial condition, results of operations and/or cash flows, as well as our ability to pay dividends to our shareholders.

Competition in the refining and marketing industry is intense, and an increase in competition in the markets in which we sell our products could adversely affect our earnings and profitability.

We compete with a broad range of refining and marketing companies, including certain multinational oil companies. Because of their geographic diversity, larger and more complex refineries, integrated operations and greater resources, some of our competitors may be better able to withstand volatile market conditions, to obtain crude oil in times of shortage and to bear the economic risks inherent in all areas of the refining industry.

We are not engaged in petroleum exploration and production activities and do not produce any of the crude oil feedstocks used at our refineries. We do not have a retail business and therefore are dependent upon others for outlets for our refined products. Certain of our competitors, however, obtain a portion of their feedstocks from company-owned production and have retail outlets. Competitors that have their own production or extensive retail outlets, with brand-name recognition, are at times able to offset losses from refining operations with profits from producing or retailing operations, and may be better positioned to withstand periods of depressed refining margins or feedstock shortages.

In recent years there have been several refining and marketing consolidations or acquisitions between entities competing in our geographic market. These transactions could increase the future competitive pressures on us.

The markets in which we compete may be impacted by competitors' plans for expansion projects and refinery improvements that could increase the production of refined products in our areas of operation and significantly affect our profitability.

Also, the potential operation of new or expanded refined product transportation pipelines, or the conversion of existing pipelines into refined product transportation pipelines, could impact the supply of refined products to our existing markets and negatively affect our profitability.

In addition, we compete with other industries that provide alternative means to satisfy the energy and fuel requirements of our industrial, commercial and individual consumers. The more successful these alternatives become as a result of governmental regulations, technological advances, consumer demand, improved pricing or otherwise, the greater the impact on pricing and demand for our products and our profitability. There are presently significant governmental and consumer pressures to increase the use of alternative fuels in the United States.

The market for our lubricants and specialty products segment is highly competitive and requires us to continuously develop and introduce new products and product enhancements.

Our ability to grow our Lubricants and Specialty Products segment depends, in part, on our ability to continuously develop, manufacture and introduce new products and product enhancements on a timely and cost-effective basis, in response to customers' demands for higher performance process lubricants, coatings, greases and other product offerings. Our competitors may develop new products or enhancements to their products that offer performance, features and lower prices that may render our products less competitive or obsolete, and, as a consequence, we may lose business and/or significant market share. Our efforts to respond to changes in consumer demand in a timely and cost-efficient manner to drive growth could be adversely affected by unfavorable margins or difficulties or delays in product development and service innovation, including the inability to identify viable new products, successfully complete research and development, obtain regulatory approvals, obtain intellectual property protection or gain market acceptance of new products or service techniques. The development and commercialization of new products require significant expenditures over an extended period of time, and some products that we seek to develop may never become profitable, and we could be required to write-off our investments related to a new product that does not reach commercial viability.

A disruption to or proration of the refined product distribution systems or manufacturing facilities we utilize could negatively impact our profitability.

We utilize various common carrier or other third party pipeline systems to deliver our products to market. The key systems utilized by the El Dorado, Navajo, Puget Sound, Woods Cross, and Tulsa Refineries are NuStar Energy and Magellan, SFPP, Olympic and Plains, Chevron and UNEV, and Magellan, respectively.

Our U.S. refineries also utilize systems owned by HEP. If these key pipelines or their associated tanks and terminals become inoperative or decrease the capacity available to us, we may not be able to sell our product, or we may be required to hold our product in inventory or supply products to our customers through an alternative pipeline or by rail or additional tanker trucks from the refinery, all of which could increase our costs and result in a decline in profitability.

We have manufacturing facilities in foreign countries that support the Lubricants and Specialty Products segment. If one of our facilities is damaged or disrupted, resulting in production being halted for an extended period, we may not be able to timely supply our customers. We take steps to mitigate this risk, including business continuity and contingency planning and procuring property insurance (including resulting business interruption) and casualty insurance. Nevertheless, the loss of sales in any one region over an extended period of time could have a material adverse effect on our business, financial condition and results of operations.

A material decrease in the supply, or a material increase in the price, of crude oil or other raw materials or equipment available to our refineries and other facilities could significantly reduce our production levels and negatively affect our operations.

To maintain or increase production levels at our refineries, we must continually contract for crude oil supplies from third parties. There are a limited number of crude oil suppliers in certain geographic regions, and in such cases, we may be required to source from a single third party supplier. If we are unable to maintain or extend our existing contracts with any such crude oil suppliers, or enter into new agreements on similar terms, the supply of crude oil could be adversely impacted, or we may incur a higher cost. A material decrease in crude oil production from the fields that supply our refineries, as a result of depressed commodity prices, decreased demand, lack of drilling activity, natural production declines, catastrophic events or otherwise, could result in a decline in the volume of crude oil available to our refineries. In addition, any prolonged disruption of a significant pipeline that is used in supplying crude oil to our refineries or the potential operation of a new, converted or expanded crude oil pipeline that transports crude oil to other markets could result in a decline in the volume of crude oil available to our refineries. Such an event could result in an overall decline in volumes of refined products processed at our refineries and therefore a corresponding reduction in our cash flow. In addition, the future growth of our operations will depend in part upon whether we can contract for additional supplies of crude oil at a greater rate than the rate of natural decline in our currently connected supplies. If we are unable to secure additional crude oil supplies of sufficient quality or crude pipeline expansion to our refineries, we will be unable to take full advantage of current and future expansion of our refineries' production capacities.

For certain raw materials and utilities used by our refineries and other facilities, there are a limited number of suppliers and, in some cases, we source from a single supplier and/or suppliers in economies that have experienced instability or the supplies are specific to the particular geographic region in which a facility is located. Any significant disruption in supply could affect our ability to obtain raw materials, or increase the cost of such raw materials, which could significantly reduce our production levels or have a material adverse effect on our business, financial condition and results of operations. In addition, certain raw materials that we use are subject to various regulatory laws, and a change in the ability to legally use such raw materials may impact our liquidity, financial position and results of operations.

It is also common in the refining industry for a facility to have a sole, dedicated source for its utilities, such as steam, electricity, water and gas. Having a sole or limited number of suppliers may limit our negotiating power, particularly in the case of rising raw material costs. Any new supply agreements we enter into may not have terms as favorable as those contained in our current supply agreements. Additionally, there is growing concern over the reliability of water sources. The decreased availability or less favorable pricing for water as a result of population growth, drought or regulation could negatively impact our operations.

In addition, periods of disruption in the global supply chain, including as a result of COVID-19, have caused shortages in the equipment and parts necessary to operate our facilities and complete our capital projects. Certain suppliers have experienced, and may continue to experience, delays related to a variety of factors, including logistical delays and component shortages from vendors. We continue to monitor the situation and work closely with our suppliers to minimize disruption to our operations as a result of supply chain interruptions.

If our raw material, utility or water supplies or access to the equipment necessary to operate our facilities were disrupted, our businesses may incur increased costs to procure alternative supplies or equipment or incur excessive downtime, which would have a direct negative impact on our operations.

Terrorist attacks, and the threat of terrorist attacks or vandalism, have resulted in increased costs to our business. Continued global hostilities or other sustained military campaigns may adversely impact our results of operations.

The long-term impacts of terrorist attacks and the threat of future terrorist attacks on the energy transportation industry in general, and on us in particular, are unknown. Any attack on our facilities or those of our customers or suppliers could have a material adverse effect on our business. Increased security measures taken by us as a precaution against possible terrorist attacks or domestic vandalism have resulted in increased costs to our business. Uncertainty surrounding continued global hostilities or other sustained military campaigns, and the possibility that infrastructure facilities could be direct targets of, or

indirect casualties of, an act of terror, may affect our operations in unpredictable ways, including disruptions of crude oil supplies and markets for refined products. In addition, disruption or significant increases in energy prices could result in government-imposed price controls. Any one of, or a combination of, these occurrences could have a material adverse effect on our business, financial condition and results of operations.

Changes in the insurance markets attributable to terrorist attacks, vandalism, or cyberattacks or extortion could make certain types of insurance more difficult for us to obtain. Moreover, the insurance that may be available to us may be significantly more expensive than our existing insurance coverage. Instability in the financial markets as a result of terrorism, cyberattacks, vandalism or war could also affect our ability to raise capital including our ability to repay or refinance debt.

Our business may suffer due to a change in the composition of our Board of Directors, or the departure of any of our key senior executives or other key employees. Furthermore, a shortage of skilled labor may make it difficult for us to maintain labor productivity.

Our future performance depends to a significant degree upon the continued contributions of our Board of Directors, our senior management team and key technical personnel. We do not currently maintain key person life insurance, non-compete agreements, or employment agreements with respect to any member of our senior management team. The loss or unavailability to us of any member of our senior management team or a key technical employee could significantly harm us. We face competition for these professionals from our competitors, our customers and other companies operating in our industry. To the extent that the services of members of our senior management team and key technical personnel would be unavailable to us for any reason, we may be required to hire other personnel to manage and operate our company. We may not be able to locate or employ such qualified personnel on acceptable terms, or at all.

Furthermore, our operations require skilled and experienced laborers with proficiency in multiple tasks. A shortage of trained workers due to retirements or otherwise could have an adverse impact on productivity and costs and our ability to expand production in the event there is an increase in the demand for our products and services, which could adversely affect our operations.

A portion of our workforce is unionized, and any disruptions in our labor force or adverse employee relations could adversely affect our business.

We depend on unionized labor for the operation of many of our facilities. As of December 31, 2021, approximately 32% of our employees were represented by labor unions under collective bargaining agreements with various expiration dates. In addition, employees who are not currently represented by labor unions may seek union representation in the future. We may not be able to renegotiate our collective bargaining agreements when they expire on satisfactory terms or at all. If we are unable to renegotiate our collective bargaining agreements when they expire, any work stoppages or other labor disturbances at these facilities could have an adverse effect on our business, impact our ability to pay dividends to our stockholders and payments of our debt obligations, and increase our costs. In addition, our existing labor agreements may not prevent a strike or work stoppage or other adverse employee relations event at any of our facilities in the future, and any work stoppage could negatively affect our results of operations and financial condition.

Our business is subject to the risks of international operations, including currency fluctuations

We derive a portion of our revenue and earnings from international operations. Our acquisitions of Petro-Canada Lubricants and Sonneborn have expanded our operations and sales in foreign countries and correspondingly may increase our exposure to foreign exchange risks. Any significant change in the value of the currencies of the countries in which we do business against the U.S. dollar could affect our revenue, competitiveness and cost of doing business, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, compliance with applicable U.S. and foreign laws and regulations, such as import and export requirements, anti-corruption laws, data privacy regulations and foreign exchange controls and cash repatriation restrictions, environmental laws, labor laws and anti-competition regulations, increases the cost of doing business in foreign jurisdictions. Although we have implemented policies and procedures to comply with these laws and regulations, a violation by any of our employees, contractors, distributors or agents could nevertheless occur. In some cases, compliance with the laws and regulations of one country could violate the laws and regulations of another country. Violations of these laws and regulations could materially adversely affect our company's brand, international growth efforts and business.

In addition, global market risks, actions by foreign nations and other international conditions, particularly in a time of increasing economic and global instability, may have a material adverse effect on our results and operations. The consequences of such uncertainty cannot be anticipated or quantified.

Potential product, service or other related liability claims and litigation could adversely affect our business, reputation and results of operations.

A significant portion of our operating responsibility on refined product pipelines is to maintain the quality and purity of the products loaded at our loading racks. If our quality control measures were to fail, we may have contaminated or off-specification commingled pipelines and storage tanks or off-specification product could be sent to public gasoline stations. The development, manufacture and sale of specialty lubricant products also involves an inherent risk of exposure to potential product liability claims. These types of incidents could result in product liability claims from our customers. Our Lubricants and Specialty Products segment could also be subject to false advertising claims, product recalls, workplace exposure, product seizures and related adverse publicity.

Any of these incidents is a significant commercial risk. Substantial damage awards have been made in certain jurisdictions against manufacturers and resellers based upon claims for injuries caused by the use of or exposure to various products. There can be no assurance that product liability claims against us would not have a material adverse effect on our business, reputation or results of operations or our ability to maintain existing customers or retain new customers. Although we maintain product and other general liability insurance, there can be no assurance that the types or levels of coverage maintained are adequate to cover these potential risks, or that we will be able to continue to maintain existing insurance or obtain comparable insurance at a reasonable cost, if at all.

We depend upon HEP for a substantial portion of the crude supply and distribution network that serve our refineries, and we own a significant equity interest in HEP.

At December 31, 2021, we owned a 57% limited partner interest and a non-economic general partner interest in HEP. HEP operates a system of crude oil and petroleum product pipelines, distribution terminals and refinery tankage in Idaho, Kansas, Nevada, New Mexico, Oklahoma, Texas, Utah, Washington and Wyoming and refinery units in Kansas and Utah. HEP generates revenues by charging tariffs for transporting petroleum products and crude oil through its pipelines, leasing certain pipeline capacity to third parties, charging fees for terminalling refined products and other hydrocarbons and storing and providing other services at its terminals. HEP serves the El Dorado, Navajo, Woods Cross and Tulsa Refineries under several long-term pipeline and terminal, tankage and throughput agreements expiring in 2022 through 2036 serves the El Dorado Refinery under long-term tolling agreements expiring in 2030 and serves the Woods Cross Refinery under long-term tolling agreements expiring in 2031. Furthermore, our financial statements include the consolidated results of HEP. HEP is subject to its own operating and regulatory risks, including, but not limited to:

- its reliance on its significant customers, including us;
- competition from other pipelines;
- environmental regulations affecting pipeline operations;
- operational hazards and risks;
- pipeline tariff regulations affecting the rates HEP can charge;
- limitations on additional borrowings and other restrictions due to HEP's debt covenants; and
- other financial, operational and legal risks.

The occurrence of any of these risks could directly or indirectly affect HEP's as well as our financial condition, results of operations and cash flows as HEP is a consolidated VIE. Additionally, these risks could affect HEP's ability to continue operations which could affect their ability to serve our supply and distribution network needs.

While we own a 57% limited partner interest and a non-economic general partner interest in HEP, HEP is a publicly-traded master limited partnership and is a legally distinct entity. Conflicts of interest may arise between us and HEP, which may subject us to claims from HEP's public unitholders.

For additional information about HEP, see "Holly Energy Partners, L.P." under Items 1 and 2, "Business and Properties." For risks related to HEP's business, see Item 1A of HEP's Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

Certain of our facilities and assets are located on or adjacent to Native American tribal lands. Furthermore, our operations are subject to potentially disruptive activity by those concerned with our industry.

Certain of our facilities and other assets are located on or adjacent to Native American tribal lands. Various federal agencies, along with each Native American tribe, promulgate and enforce regulations, including environmental standards, regarding operations on Native American tribal lands. In addition, each Native American tribe is a sovereign nation having the right to enforce laws and regulations (including various taxes, fees, and other requirements and conditions) and to grant approvals independent from federal, state and local statutes and regulations. In 2020, the Supreme Court ruled in *McGirt v. Oklahoma* that the Muscogee (Creek) Nation reservation in Eastern Oklahoma has not been disestablished, and several state courts have subsequently used the analysis therein to find that other reservations in the state have not been disestablished. Although the ruling in *McGirt* indicates that it is limited to criminal law, the ruling has significant potential implications for civil law. At this time, we cannot predict how these jurisdictional issues may ultimately be resolved. Furthermore, our operations may be disrupted by restrictions on our access to railways and waterways on or adjacent to tribal lands, including, for example, through restrictions on the number of trains permitted to cross certain reservations. These factors may increase our cost of doing business on Native American tribal lands.

In addition, our industry is subject to potentially disruptive activities by those concerned with the possible environmental impacts of crude oil and refined products. Activists, non-governmental organizations and others may seek to restrict our operations or the transportation of crude oil and refined products by exerting social or political pressure. This interference could have a material adverse effect on our business, financial condition and results of operations

An impairment of our goodwill or long-lived assets could reduce our earnings or negatively impact our financial condition and results of operations.

An impairment of our goodwill or long-lived assets could reduce our earnings or negatively impact our results of operations and financial condition. We continually monitor our business, the business environment and the performance of our operations to determine if an event has occurred that indicates that a goodwill or long-lived asset may be impaired. If a triggering event occurs, which is a determination that involves judgment, we may be required to utilize cash flow projections to assess our ability to recover the carrying value based on the ability to generate future cash flows. We may also conduct impairment testing based on both the guideline public company and guideline transaction methods. Our goodwill and long-lived assets impairment analyses are sensitive to changes in key assumptions used in our analysis, estimates of future crack spreads, forecasted production levels, operating costs and capital expenditures. If the assumptions used in our analysis are not realized, it is possible a material impairment charge may need to be recorded in the future. We cannot accurately predict the amount and timing of any additional impairments of goodwill or long-lived assets in the future.

As market prices for refined products and market prices for crude oil continue to fluctuate, we will need to continue to evaluate the carrying value of our refinery reporting units. During the year ended December 31, 2020, we recorded long-lived asset impairment charges of \$232.2 million that related to our Cheyenne Refinery, \$26.5 million for construction-in-progress consisting primarily of engineering work for potential upgrades to certain processing units at our Tulsa and El Dorado Refineries and \$204.7 million related to PCLI. Also, during the year ended December 31, 2020, we recorded a goodwill impairment charge of \$81.9 million that related to Sonneborn. A reasonable expectation exists that further deterioration in our operating results or overall economic conditions could result in an impairment of goodwill and / or additional long-lived asset impairments at some point in the future. Future impairment charges could be material to our results of operations and financial condition.

We sell many of our lubricants and specialty products through distributors, which presents risks that could adversely affect our operating results.

A large portion of our lubricants and specialty product sales, both in domestic and international markets, occur through distributors. As a result, we are dependent on these distributors to promote and create demand for our products. We cannot assure you that we will be successful in maintaining and strengthening our relationships with our distributors or establishing relationships with new distributors who have the ability to market, sell and support our products effectively. We may rely on one or more key distributors for a product or a region, and the loss of these distributors could reduce our revenue. The sales, business practices and reputation of our distributors may affect our business and our reputation. The consolidation of distributors, loss of a relationship with a distributor, significant disagreement with a distributor, or significant deterioration in the financial condition of a distributor could also have an adverse effect on our operating results and may also result in increased competition in the applicable jurisdiction.

The market price of our common stock may fluctuate significantly, and the value of a stockholder's investment could be impacted.

The market price of our common stock may be influenced by many factors, some of which are beyond our control, including:

- our quarterly or annual earnings or those of other companies in our industry;
- changes in accounting standards, policies, guidance, interpretations or principles;
- general economic, industry global and stock market conditions;
- the failure of securities analysts to cover our common stock or changes in financial estimates by analysts;
- future sales of our common stock;
- announcements by us or our competitors of significant contracts or acquisitions;
- sales of common stock by us, our senior officers or our affiliates; and/or
- the other factors described in these Risk Factors.

In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The price of our common stock could fluctuate based upon factors that have little or nothing to do with our company, and these fluctuations could materially reduce our stock price.

RISKS RELATED TO OUR ACQUISITION STRATEGY AND RECENT/PENDING ACQUISITIONS

Our acquisition strategy involves numerous risks, any of which could adversely affect us.

An additional component of our growth strategy is to selectively acquire complementary assets or businesses for our refining operations, such as our recent acquisition of the Puget Sound Refinery, in order to increase earnings and cash flow. Our ability to do so will be dependent upon a number of factors, including our ability to identify attractive acquisition candidates, consummate acquisitions on favorable terms, successfully integrate acquired assets and obtain financing to fund acquisitions and to support our growth, and other factors beyond our control. Risks associated with acquisitions include those relating to:

- diversion of management time and attention from our existing business;
- challenges in managing the increased scope, geographic diversity and complexity of operations and inefficiencies that may result therefrom;
- difficulties in integrating the financial, technological and management standards, processes, procedures and controls of an acquired business with those of our existing operations;
- liability for known or unknown environmental conditions or other contingent liabilities not covered by indemnification or insurance;
- greater than anticipated expenditures required for compliance with environmental or other regulatory standards or for investments to improve operating results;
- difficulties or delays in achieving anticipated operational improvements or benefits or inaccurate assumptions about future synergies or revenues;
- incurrance of additional indebtedness to finance acquisitions or capital expenditures relating to acquired assets; and
- issuance of additional equity, which could result in further dilution of the ownership interest of existing stockholders.

Any acquisitions that we do consummate may have adverse effects on our business and operating results.

The pending Sinclair Transactions may not be consummated on a timely basis or at all. Failure to complete the acquisition within the expected timeframe or at all could adversely affect our stock price and our future business and financial results.

On August 2, 2021, we entered into the Business Combination Agreement with Sinclair and certain other parties thereto in connection with the Sinclair Transactions and HEP entered into the Contribution Agreement with Sinclair and certain other parties thereto in connection with the Sinclair Transactions. The transactions under the Contribution Agreement will be consummated immediately prior to the transactions contemplated under the Business Combination Agreement. We expect the Sinclair Transactions to close in 2022. The Sinclair Transactions are subject to closing conditions. If these conditions are not satisfied or waived, the Sinclair Transactions will not be consummated. If the closing of the Sinclair Transactions is substantially delayed or does not occur at all, or if the terms of the Sinclair Transactions are required to be modified substantially, we may not realize the anticipated benefits of the transactions fully or at all or they may take longer to realize than expected. The closing conditions include, among others, the absence of a law or order prohibiting the transactions contemplated by the Business Combination Agreement and the termination or expiration of any waiting periods under the Hart-Scott Rodino Act, as amended (the “HSR Act”), with respect to the Sinclair Transactions. On August 23, 2021, each of HollyFrontier and Sinclair filed its respective premerger notification and report regarding the Sinclair Transactions with the U.S. Department of Justice and the U.S. Federal Trade Commission (the “FTC”) under the HSR Act. On September 22, 2021, we and Sinclair each

received a request for additional information and documentary material (“Second Request”) from the FTC in connection with the FTC’s review of the Sinclair Transactions. Issuance of the Second Request extends the waiting period under the HSR Act until 30 days after both we and Sinclair have substantially complied with the Second Request, unless the waiting period is terminated earlier by the FTC or the parties otherwise commit not to close the Sinclair Transactions for some additional period of time. HollyFrontier and Sinclair are cooperating with the FTC staff in its review and are working diligently to satisfy the closing conditions as soon as possible. We have incurred and will continue to incur substantial transaction costs whether or not the Sinclair Transactions are completed. Any failure to complete the Sinclair Transactions could have a material adverse effect on our stock price, our competitiveness and reputation in the marketplace, and our future business and financial results, including our ability to execute on our strategy to return capital to our stockholders.

In order to complete the Sinclair Transactions, HollyFrontier and Sinclair must obtain certain governmental approvals, and if such approvals are not granted or are granted with conditions that become applicable to the parties, completion of the transactions may be jeopardized or prevented or the anticipated benefits of the transactions could be reduced.

Completion of the Sinclair Transactions is conditioned upon the expiration or termination of the waiting period relating to the Sinclair Transactions under the HSR Act. Although HollyFrontier, HEP and Sinclair have agreed in the Business Combination Agreement and Contribution Agreement to use their reasonable best efforts, subject to certain limitations, to make the necessary filings under the HSR Act and obtain the required governmental approvals, there can be no assurance that the relevant waiting period will expire or terminate and no assurance that the transactions will be completed. In addition, the FTC has broad discretion in administering the governing laws and regulations, and may take into account various facts and circumstances in their consideration of the Sinclair Transactions, including other potential transactions in the oil and gas industry or other industries. The FTC may be affected by government shutdowns, which could result in delays regarding any potential approvals or other actions. The FTC may initiate proceedings seeking to prevent, or otherwise seek to prevent, the transactions. As a condition to the approval of the Sinclair Transactions, the FTC may also impose requirements, limitations or costs, require divestitures or place restrictions on the conduct of the parties’ business after completion of the transactions. Under the terms of the Business Combination Agreement and Contribution Agreement, HollyFrontier and HEP are obligated to use reasonable best efforts to complete the transactions, but are not required to take any actions or agree to any terms or conditions in connection with obtaining any regulatory approvals for completing the transactions beyond those specifically described in the Business Combination Agreement and Contribution Agreement.

In the Contribution Agreement, HEP and Sinclair agreed that the consideration to be paid by HEP to Sinclair in connection with the HEP Transaction would be adjusted downward if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, the FTC requires HEP to divest a portion of its equity interest in UNEV and the sales price for such interests does not exceed the threshold provided in the Contribution Agreement. In the Business Combination Agreement, HollyFrontier and Sinclair agreed that the stock consideration to be issued to Sinclair would be reduced if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, the FTC requires HollyFrontier to divest its Woods Cross Refinery and certain related assets and the sales price for such assets does not exceed a threshold provided in the Business Combination Agreement. In addition, HollyFrontier and HEP entered into a Letter Agreement (“Letter Agreement”), which provides that if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, HollyFrontier enters into a definitive agreement to divest the Woods Cross Refinery, then HEP would sell certain assets located at, or relating to, the Woods Cross Refinery to HollyFrontier in exchange for cash consideration equal to \$232.5 million plus the certain accounts receivable of HEP in respect of such assets, with such sale to be effective immediately prior to the closing of the sale of the Woods Cross Refinery by HollyFrontier. The Letter Agreement also provides that HEP’s right to future revenues from HollyFrontier in respect of such Woods Cross Refinery assets will terminate at the closing of such sale. If as a condition to the approval of the Sinclair Transactions the FTC requires HollyFrontier and HEP to divest the assets specified in the Business Combination Agreement, Contribution Agreement and Letter Agreement, the cash flows relating to the divested assets would also be lost, the anticipated benefits of the Sinclair Transactions would be reduced and the combined company’s business and results of operations may be adversely affected.

However, notwithstanding the provisions of the Business Combination Agreement and Contribution Agreement, HollyFrontier, HEP or Sinclair could agree to become subject to terms or conditions beyond those required in the Business Combination Agreement and Contribution Agreement in connection with the expiration or termination of such waiting period, the imposition of which could adversely affect HollyFrontier’s and HEP’s ability to integrate Sinclair’s operations with their operations, reduce the anticipated benefits of the transactions or otherwise materially and adversely affect the combined company’s business cash flows and results of operations after completion of the transactions.

The Sinclair Transactions will require management to devote significant attention and resources to integrating the acquired Sinclair businesses with our business.

The Sinclair Transactions will require management to devote significant attention and resources to integrating the acquired Sinclair businesses with our business. Potential difficulties that may be encountered in the integration process include, among others:

- the inability to successfully integrate the acquired Sinclair business into the HollyFrontier business in a manner that permits us to achieve the revenue and cost savings that we announced as anticipated from the Sinclair Transactions, including approximately \$100 million in run-rate synergies that we have communicated we expect the combined company to realize, as well as another \$100 to \$200 million in estimated one-time savings from working capital benefits during the first two years after closing of the Sinclair Transactions, as previously announced;
- the inability to integrate multiple acquisitions simultaneously or within a short timeframe of each other, including the Sinclair Transactions and the acquisition of the Puget Sound Refinery;
- complexities associated with managing the larger, integrated business;
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the Sinclair Transactions;
- integrating personnel from the two companies while maintaining focus on providing consistent, high-quality products and services;
- loss of key employees;
- integrating relationships with customers, vendors and business partners;
- performance shortfalls at one or both of the companies as a result of the diversion of management’s attention caused by completing the Sinclair Transactions and integrating acquired Sinclair operations into HollyFrontier; or
- the disruption of, or loss of momentum in, each company’s ongoing business or inconsistencies in standards, controls, procedures and policies.

Delays or difficulties in the integration process could adversely affect our business, financial results, financial condition and stock price. Even if we are able to integrate our business operations successfully, there can be no assurance that this integration will result in the realization of the full benefits of synergies, cost savings, innovation and operational efficiencies that we currently expect or have communicated from this integration or that these benefits will be achieved within the anticipated time frame.

The actual value of the consideration we will pay to Sinclair at closing may exceed the value allocated to such consideration at the time we entered into the Business Combination Agreement.

Under the Business Combination Agreement, the number of shares of common stock we will issue to Sinclair at the closing of the Sinclair Transactions is fixed at 60,230,036, which represents approximately 26.75% of HollyFrontier’s outstanding common stock as of July 30, 2021, and there will be no adjustment for changes in the market price of our common stock. Neither we nor the Sinclair stockholders are permitted to “walk away” from the transaction solely because of changes in the market price of our common stock between the signing of the Business Combination Agreement and the closing. Our common stock has historically experienced volatility. Stock price changes may result from a variety of factors that are beyond our control, including changes in our business, operations and prospects, regulatory considerations and general market and economic conditions. The closing price of our common stock on the New York Stock Exchange on July 30, 2021, was \$29.40; and on February 18, 2022, the closing price of our common stock was \$35.43. The value of the common stock we issue in connection with the closing of the Sinclair Transactions may be significantly higher at the closing than when we entered into the Business Combination Agreement.

We will issue a large number of shares of New Parent Common Stock in connection with the Sinclair Transactions, which will result in dilution to our existing stockholders and may cause the market price of our common stock to decline in the future as the result of sales of our common stock owned by Sinclair stockholders or current HollyFrontier stockholders. Our stockholders may not realize a benefit from the Sinclair Transactions commensurate with the ownership dilution they will experience.

At the closing of the Sinclair Transactions, we will issue 60,230,036 shares of New Parent Common Stock, which represents 26.75% of the outstanding shares of our common stock on an adjusted basis as of July 30, 2021. The issuance of the such shares of common stock will result in dilution of our existing stockholders’ ownership interests and may also have an adverse impact on net income per share in fiscal periods that include (or follow) the closing.

The Stockholders Agreement (the “Stockholders Agreement”) by and among New Parent, Sinclair and the stockholders of Sinclair (the “Sinclair Parties”) subjects 45,172,527 of the shares of New Parent Common Stock issued to the Sinclair Parties (“Restricted Shares”) to a “lock-up” period commencing on the closing date, with one-third of such Restricted Shares being released from such restrictions on the date that is six months after the closing, one-third of the Restricted Shares being released from such restrictions on the first anniversary of the closing date, and the remainder being released from such restrictions on the date that is 15 months from the closing date. In addition, until the earliest to occur of (i) the date on which the Sinclair Parties beneficially own New Parent Common Stock constituting less than 5% of all outstanding New Parent Common Stock and (ii) the date on which a Change of Control (as defined in the Stockholders Agreement) occurs, the Sinclair Parties will be prohibited from transferring the shares of New Parent Common Stock owned by them to certain prohibited transferees, subject to certain permitted exceptions.

Further, New Parent has agreed to file, within five business days following the closing date, a shelf registration statement under the Securities Act, to permit the public resale of all the registrable securities held by the Sinclair Parties once the Restricted Shares are no longer subject to a lock-up.

In addition, following their receipt of shares of New Parent Common Stock as stock consideration in the Sinclair Transactions, subject to release from the associated lock-up provisions and the filing of a resale registration statement or satisfaction of the requirements of Rule 144, the Sinclair Parties may seek to sell the shares of New Parent Common Stock delivered to them. HollyFrontier stockholders may also seek to sell shares held by them of our common stock held in anticipation of completion of the closing, or of New Parent Common Stock following the closing. These sales (or the perception that these sales may occur), coupled with the increase in the outstanding number of shares of New Parent Common Stock, may affect the market for, and the market price of, our common stock and New Parent Common Stock in an adverse manner.

If we are unable to realize the strategic and financial benefits currently anticipated from the Sinclair Transactions, our stockholders will have experienced dilution of their ownership interest without receiving commensurate benefit, and we may be unable to execute on our strategy to return capital to our stockholders that was described in our press release and investor presentation announcing the Sinclair Transactions.

Sinclair will become a significant holder of the combined company’s common stock following completion of the Sinclair Transactions.

On a pro forma basis, based on our outstanding shares of common stock as of July 30, 2021, Sinclair will own 26.75% of the New Parent Common Stock following the closing of the Sinclair Transactions. Additionally, pursuant to the Stockholders Agreement, the Sinclair Parties will be entitled to nominate (i) two persons to the board of directors of New Parent at the closing and for so long as the Sinclair Parties beneficially own common stock constituting not less than 15% of all outstanding New Parent Common Stock and (ii) one person to the Board for so long as the Sinclair Parties beneficially own less than 15% but more than or equal to 5% of all outstanding New Parent Common Stock. As a result, Sinclair (and the Sinclair Parties) will have the ability to influence our management and affairs. Further, the existence of a new significant stockholder may have the effect of deterring hostile takeovers, delaying or preventing changes in control or changes in management, or limiting the ability of our other stockholders to approve transactions that they may deem to be in the best interests of our company.

So long as Sinclair continues to control a significant amount of the New Parent Common Stock, it will continue to be able to influence all matters requiring stockholder approval, subject to the voting agreements of the Sinclair Parties set forth in the Stockholders Agreement. Moreover, this concentration of stock ownership may also adversely affect the trading price of the New Parent Common Stock to the extent investors perceive a disadvantage in owning stock of a company with a significant stockholder.

The Sinclair Transactions will expand our branded marketing and licensing business, and we could face a variety of risks as a result of this business expansion.

The Sinclair Transactions will expand our business into branded marketing and licensing business with the addition of over 300 distributors and 1,300 branded retail sites. Risks of our expanding this business line include, among others: (i) potential diversion of management’s attention and other resources from our existing businesses; (ii) unanticipated liabilities or contingencies; (iii) the need for additional capital and other resources to integrate and expand this line of business; and (iv) inefficient combination or integration of operational and management systems and controls. Expanding this line of business may also lead to increased litigation and regulatory risk and could have an impact on the effectiveness of our system of internal controls. Failure to successfully manage these risks in the expansion and integration of the branded marketing and licensing business could have a material adverse effect on our business, results of operations and financial condition.

Litigation relating to the Sinclair Transactions could result in substantial costs to HollyFrontier or an injunction preventing the completion of the Sinclair Transactions.

Securities class action lawsuits, derivative and related lawsuits are often brought against public companies that have entered into acquisition, merger or other business combination agreements. Even if such a lawsuit is without merit, defending against these claims can result in substantial costs and divert the time and resources of management. An adverse judgment could result in monetary damages, which could have a negative impact on our liquidity and financial condition.

Lawsuits that have been or may be brought against us and/or our directors could also seek, among other things, injunctive relief or other equitable relief, including a request to rescind parts of the acquisition agreement already implemented, issue additional disclosures and to otherwise enjoin the parties from consummating the Sinclair Transactions. We and the members of our Board of Directors were named as defendants in a lawsuit filed in Harris County, Texas, brought by an alleged HollyFrontier shareholder challenging the Sinclair Transactions and seeking, among other things, injunctive relief to enjoin and/or rescind the acquisition agreement and require defendants to amend the related proxy statement, declare a breach of fiduciary duties, provide correct and complete disclosures or enjoin or unwind the acquisition and share issuance if they do not, rescissory and compensatory damages, and interest, attorney's fees and other costs. Seven additional lawsuits were filed in federal courts on behalf of individual alleged HollyFrontier shareholders: *Gerald Lovoi v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-08805 (S.D.N.Y.); *Jared Abrams v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-09309 (S.D.N.Y.); *Christopher Quayle v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-03079 (D. Colo.); *Shannon Jenkins v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-09497 (S.D.N.Y.); *William Bancroft v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-09878 (S.D.N.Y.); *Stanley Jacobs v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-01668 (D. Del.); and *Timothy Dolan v. HollyFrontier Corp., et al.*, Case No. 1:21-cv-01670 (D. Del.). All asserted claims under Section 14(a) of the Exchange Act of 1934 (the "Exchange Act") and SEC Rule 14a-9 and claims under Section 20(a) of the Exchange Act against HollyFrontier and members of HollyFrontier's Board of Directors, and seeks, among other things, to enjoin and/or rescind the acquisition agreement and require defendants to amend the related proxy statement, and, if they do not, to recover damages. Additional lawsuits in connection with the Sinclair Transactions may be filed in the future in federal or state courts.

HollyFrontier believes that the lawsuits described above are without merit, and that no further disclosure was required under applicable law. However, HollyFrontier made supplemental disclosures on November 30, 2021 to reduce the risk that the lawsuits may delay or otherwise adversely affect the consummation of the Acquisition and to minimize the expense of defending such action. HollyFrontier entered into a Settlement Agreement with the plaintiff in the lawsuit filed in Harris County, Texas and the lawsuit was voluntarily dismissed with prejudice. Since the shareholder vote on December 8, 2021, five of the lawsuits filed in federal courts have also been voluntarily dismissed: *Bancroft v. HollyFrontier Corp.* was voluntarily dismissed on December 13, 2021; *Quayle v. HollyFrontier Corp.* was voluntarily dismissed on December 21, 2021; *Lovoi v. HollyFrontier Corp.* was voluntarily dismissed on January 7, 2022; *Abrams v. HollyFrontier Corp.* was voluntarily dismissed on January 7, 2022; and *Jenkins v. HollyFrontier Corp.* was voluntarily dismissed on January 25, 2022. With respect to the two outstanding lawsuits, HollyFrontier's additional disclosures moot the claims therein.

The outcome of the remaining lawsuits or any other lawsuit that may be filed challenging the Sinclair Transactions is uncertain. One of the conditions to the closing of the Sinclair Transactions is that no injunction by any court or other tribunal of competent jurisdiction has been entered and continues to be in effect and no law has been adopted or is effective, in either case, that prohibits or makes illegal the closing of the Sinclair Transactions. Consequently, if a plaintiff is successful in obtaining an injunction prohibiting completion of the Sinclair Transactions, that injunction may delay or prevent the Sinclair Transactions from being completed within the expected timeframe or at all, which could result in substantial costs to us and may adversely affect our business, financial position, results of operation and cash flows. Relatedly, the defense or settlement of any lawsuit or claim that remains unresolved at the time the Sinclair Transactions are completed may adversely affect our business, financial condition, results of operations and cash flows and result in substantial costs to us. See Item 1, "Legal Proceedings" for more information about litigation related to the Sinclair Transactions.

RISKS RELATED TO GOVERNMENT REGULATION

We incur significant costs, and expect to incur additional costs in the future, to comply with existing, new and changing environmental and health and safety laws and regulations, and face potential exposure for environmental matters.

Operations of our facilities, pipelines and distribution operations are subject to international, federal, state, provincial and local laws and regulations regarding, among other things, the generation, storage, handling, use, transportation and distribution of petroleum and hazardous substances by pipeline, truck, rail, ship and barge, the emission and discharge of materials into the

environment, waste management, and characteristics and composition of gasoline and diesel fuels, and other matters otherwise relating to the protection of human health and the environment. Permits or other authorizations are required under these laws and regulations for the operation of our facilities, pipelines and related operations, and these permits and authorizations are subject to revocation, modification and renewal or may require operational changes, which may involve significant costs. A violation of permit conditions or a failure to comply with applicable laws and regulations may result in the assessment of sanctions, including administrative, civil and criminal penalties; the imposition of investigatory, remedial or corrective action obligations or the incurrence of capital expenditures; the occurrence of delays in the permitting, development or expansion of projects; the issuance of injunctive relief limiting or prohibiting certain operations; and reputational harm. There is also the potential for liability for spill response and remediation, natural resource damage claims, and personal and property damage claims in the event of an oil or other refined product spill at a facility located near federal or state waters or a release of hazardous substances.

Changes in laws or regulations could require major modifications of our operations, including expensive upgrades to our existing pollution control equipment, which could have a material adverse effect on our business, financial condition, or results of operations. For example, implementation of the revised NAAQS for ozone could result in stricter permitting requirements, a delay in or inability to obtain required permits, and increased expenditures for pollution control equipment, the costs of which could be significant. Also, an EPA rule became effective in January 2018 that requires, among other things, benzene monitoring at refinery fence lines and submittal of fence line monitoring data to the EPA on a quarterly basis; upgraded storage tank controls requirements, including new applicability thresholds; enhanced performance requirements for flares, continuous monitoring of flares and pressure release devices, and analysis and remedy of flare release events; compliance with emissions standards for delayed coking units; and requirements related to air emissions resulting from startup, shutdown and maintenance events. These new rules, as well as subsequent rulemaking under the CAA or similar laws, or new agency interpretations of existing laws and regulations, may necessitate additional expenditures in future years and result in increased costs on our operations. Compliance with new international and domestic environmental laws, regulations and interpretations will continue to have an adverse impact on our operations, results of our operations and capital requirements.

As is the case with all companies engaged in industries similar to ours, we face potential exposure to future claims and lawsuits involving environmental matters. The matters include, but are not limited to, soil, groundwater and water discharges and contamination, air pollution, accident prevention and personal injury and property damage allegedly caused by substances which we processed, manufactured, handled, used, released or disposed.

We are and have been the subject of various local, state, provincial, federal, international and private proceedings relating to environmental regulations, conditions and inquiries. Instances of non-compliance with environmental regulations could require additional expenditures, including expenditures for investigation and remediation, which could be significant.

Our operations are also subject to various international and domestic laws and regulations relating to occupational health and safety. We maintain safety, training and maintenance programs as part of our ongoing efforts to comply with applicable laws and regulations but cannot guarantee that these efforts will always be successful. Compliance with applicable health and safety laws and regulations has required and continues to require substantial expenditures. Failure to appropriately manage occupational health and safety risks associated with our business could also adversely impact our employees, communities, stakeholders, reputation and results of operations.

The costs of environmental and safety regulations are already significant and compliance with more stringent laws or regulations or adverse changes in the interpretation of existing regulations by government agencies or courts could have an adverse effect on the financial position and the results of our operations and could require substantial expenditures for the installation and operation of systems and equipment that we do not currently possess.

We are also subject to existing, and may in the future be subject to new or changing, domestic and international energy policy legislation. For example, in the United States, the Energy Independence and Security Act mandates annually increasing levels for the use of renewable fuels such as ethanol and increasing energy efficiency goals, among other steps. Dutch policy also aims to increase the share of renewable energy used in transportation and reduce greenhouse gas emissions from transportation fuels. In Canada, fuel content legislation exists at the federal and provincial level. These statutory mandates may have the impact over time of offsetting projected increases in the demand for refined petroleum products, particularly gasoline, in certain markets. In the near term, the new renewable fuel standard presents ethanol production and logistics challenges for both the ethanol and refining industries and may require additional capital expenditures or expenses by us to accommodate increased ethanol use. Other legislative changes may similarly alter the expected demand and supply projections for refined petroleum products in ways that cannot be predicted.

For additional information on regulations and related liabilities or potential liabilities affecting our business, see “Regulation” under Items 1 and 2, “Business and Properties,” and Item 3, “Legal Proceedings.”

There are various risks associated with greenhouse gases and climate change that could result in increased operating costs and litigation and reduced demand for the refined products we produce and investment in our industry.

Climate change continues to attract considerable attention in the United States, Canada, Europe, and other regions. Numerous proposals have been made and could continue to be made at the international, national, regional and state levels of government to monitor and limit existing emissions of greenhouse gases, or “GHGs”, to limit or eliminate future emissions, and to require or incentivize the use of lower-carbon or renewable alternatives. As a result, our operations, and those of our customers, are subject to a series of regulatory, political, litigation, and financial risks associated with the refining of petroleum products and emission of GHGs.

The EPA has adopted rules that, among other things, establish construction and operating permit reviews for GHG emissions from certain large stationary sources, require the monitoring and annual reporting of GHG emissions from certain petroleum and natural gas sources in the United States or require control or reduction of emissions of GHGs, including methane, from such sources. In 2021, President Biden issued several executive orders that committed to substantial action on climate change and called for, among other things, the increased use of zero-emission vehicles by the federal government, the elimination of subsidies provided to the fossil fuel industry, and increased emphasis on climate-related risks across governmental agencies and economic sectors. Additionally, various states and groups of states have adopted or are considering adopting legislation, regulations or other regulatory initiatives that are focused on such areas as GHG cap and trade programs, carbon taxes, reporting and tracking programs, restriction of emissions, electric vehicle mandates and combustion engine phaseouts.

Similar regulations exist at the provincial and federal levels in Canada, including a nation-wide GHG pricing initiative and regulations related to the control of GHGs from automobiles and light duty trucks and either cap and trade programs or carbon taxes in the provinces of Quebec, Ontario, and Alberta.

The Netherlands also participates in European legal initiatives, including GHG cap and trade programs. Furthermore, the Climate Act has come into effect with the goal of significantly reducing GHG emissions by 49% (compared to 1990) by 2030 and by at least 95% (compared to 1990) by 2050. The Climate Act also establishes that the government must prepare a Climate Plan. This plan contains, among others, the principles by which the Dutch government intends to achieve the goals set out in the Climate Act.

At the international level, the United Nations-sponsored “Paris Agreement” requires member nations to limit their GHG emissions through nationally-determined reduction goals reevaluated every five years after 2020. The United States initially joined and then withdrew from such agreement in 2020. The United States rejoined the Paris Agreement in 2021 and issued its corresponding “nationally determined contribution” (“NDC”) to reduce economy-wide net GHG emissions to 50-52% below 2005 levels by 2030. While the NDC does not identify specific actions necessary to achieve these reductions, it lists several sectors as pathways for reductions, including the power, transportation, building, industrial, and agricultural sectors. The administration has acknowledged that a combination of regulatory actions and legislation will be necessary to achieve the U.S. NDC. EU member states have agreed to reduce emissions by at least 40% by 2030, and the Dutch government is advocating in Europe for a more-stringent 55% reduction in GHG emissions by 2030.

The adoption of legislation or regulatory programs to reduce emissions of GHGs could require us to incur increased operating costs, such as costs to purchase and operate emissions control systems, to acquire emissions allowances or comply with new regulatory or reporting requirements. In November 2021, the United States enacted a nearly \$1 trillion bipartisan infrastructure law, which provided significant funding for electric vehicles and clean energy technologies. A separate climate spending bill known as the Build Back Better Act, which could impose a fee on methane emissions, among other GHG provisions, remains under consideration in the United States Congress. Any such legislation or regulatory programs could also increase the cost of consuming, and thereby reduce demand for, the refined petroleum products that we produce. Additionally, political, litigation and financial risks may result in curtailed refinery activity, increased liability, or other adverse effects on our business, financial condition and results of operations.

There are also increasing risks of litigation related to climate change effects. Governments and third-parties have brought suit against some fossil fuel companies alleging, among other things, that such companies created public and private nuisances by producing fuels that contributed to climate change, such as rising sea levels, and therefore are responsible for roadway and infrastructure damages as a result, or alleging that the companies have been aware of the adverse effects of climate change for some time but defrauded their investors or customers by failing to adequately disclose those impacts. For example, in the Netherlands, The Hague District Court has ordered Royal Dutch Shell (“RDS”) to reduce the CO2 emissions of the RDS group

by net 45% by 2030, compared to 2019 levels, through the RDS group's corporate policy. Although this judgment is still subject to appeal, other environmental organizations may bring similar cases against other parties. While we are not party to such suits at this time, we may become subject to such litigation in the future. Such cases could also adversely impact public perception and the demand for fossil fuels and petroleum products, which could subsequently result in decreased demand for our services and refined products and a drop in our stock price.

In addition, increasing societal expectations for companies to address environmental issues, including climate change, and increased consumer use of substitutes to energy commodities may result in increased costs, reduced demand for our products and our services, reduced profits, increased investigations and litigation, and negative impacts on our stock price and access to capital markets. To the extent that societal pressures or political or other factors are involved, it is possible that such liability could be imposed on us without regard to our causation of or contribution to the asserted damage, or to other mitigating factors.

Furthermore, our stock price could be adversely impacted if existing shareholders, including institutional investors, elect in the future to shift some or all of their investments into renewable energy or non-energy related sectors based on social and environmental considerations. In recent years institutional lenders have become more attentive to sustainable lending practices and have been lobbied intensively, and often publicly, by environmental activists, proponents of the international Paris Agreement, and foreign citizenry concerned about climate change not to provide funding for fossil fuel energy companies. Limitation of investments in and financings for fossil fuel energy companies could result in the restriction, delay or cancellation of drilling programs or development or production activities, could result in a reduction of available capital funding for potential development projects and could also adversely affect demand for our services and refined petroleum products, all of which could adversely impact our future financial results.

Physical impacts of climate change could have an adverse effect on our financial condition and results of operations.

Scientists have noted that changes in the environment may produce climate changes that have significant effects on the weather. These events, including but not limited to drought, winter storms, wildfire, extreme temperatures, extreme precipitation or flooding, may become more intense or more frequent as a result of climate change and could have an adverse effect on our continued operations as well as the operations of our suppliers and customers. Additionally, changing meteorological conditions, particularly temperature, may result in changes to demand for our products. Our customers or suppliers may also be subject to similar risks, any of which may adversely impact our business, financial condition, or operations.

The availability and cost of renewable identification numbers and other required credits could have an adverse effect on our financial condition and results of operations.

Pursuant to the 2007 Energy Independence and Security Act, the EPA promulgated the RFS regulations reflecting the increased volume of renewable fuels mandated to be blended into the nation's fuel supply. The regulations, in part, require refiners to add annually increasing amounts of "renewable fuels" to their petroleum products or purchase credits, known as RINs, in lieu of such blending. We currently purchase RINs for some fuel categories on the open market in order to comply with the quantity of renewable fuels we are required to blend under the RFS regulations. Since the EPA first began mandating biofuels in excess of the "blend wall" (the 10% ethanol limit prescribed by most automobile warranties), the price of RINs has been extremely volatile. While we cannot predict the future prices of RINs, the costs to obtain the necessary number of RINs could be material. If we are unable to pass the costs of compliance with the RFS regulations on to our customers, if sufficient RINs are unavailable for purchase, if we have to pay a significantly higher price for RINs or if we are otherwise unable to meet the RFS mandates, our financial condition and results of operations could be adversely affected.

In the past, we have received small refinery exemptions under the RFS program for certain of our refineries. However, there is no assurance that such an exemption will be obtained for any of our refineries in future years. For example, the EPA has recently proposed to deny all pending small refinery exemption petitions on the belief that small refineries are able to pass through compliance costs to customers. If finalized, this new approach to evaluating exemption petitions could result in the EPA no longer granting such exemptions. The failure to obtain such exemptions for certain of our refineries could result in the need to purchase more RINs than we currently have estimated and accrued for in our consolidated financial statements. The EPA recently promulgated new RFS regulations that could require the agency to increase the volume of renewable fuel or RINs that refiners are required to purchase if the agency anticipates it will grant small refinery exemptions. This also could increase the number of RINs we need to purchase. Additionally, the EPA recently announced a review of its decisions on the exemptions for the 2018 compliance year as part of ongoing litigation in the U.S. Court of Appeals for the DC Circuit. It is not clear at this time what steps the EPA will take with respect to our 2018 small refinery exemptions, or what compliance obligations the EPA will impose should it reverse its decision on those exemptions.

In addition, the RFS regulations are highly complex and evolving, requiring us to periodically update our compliance systems. The RFS regulations require the EPA to determine and publish the applicable annual volume and percentage standards for each compliance year by November 30 for the forthcoming year, and such blending percentages could be higher or lower than amounts estimated and accrued for in our consolidated financial statements. The future cost of RINs is difficult to estimate until such time as the EPA finalizes the applicable standards for the forthcoming compliance year, but the EPA does not always do so by the statutory deadline. For example, the EPA did not meet its November 30, 2020 statutory deadline to set the 2021 renewable volume obligations. However, on December 7, 2021, the EPA proposed renewable volume obligations for 2021 and 2022 along with a proposed reduction to the 2020 renewable volume obligations. The public comment period for the proposed renewable volume obligations closed on February 4, 2022. Moreover, in addition to increased price volatility in the RINs market, there have been multiple instances of RINs fraud occurring in the marketplace over the past several years. The EPA has initiated several enforcement actions against refiners who purchase fraudulent RINs, resulting in substantial costs to the refiner. We cannot predict with certainty our exposure to increased RINs costs in the future, nor can we predict the extent by which costs associated with RFS regulations will impact our future results of operations.

Increases in required fuel economy and regulation of CO₂ emissions from motor vehicles may reduce demand for transportation fuels.

The EPA and the National Highway Traffic Safety Administration (“NHTSA”) are required to promulgate requirements regarding the Corporate Average Fuel Economy (“CAFE”) of the nation's passenger fleet. The EPA and NHTSA previously adopted such standards, which standards were subsequently revised in December 2021 to impose more stringent requirements for emissions reductions. These rulemakings will likely be subject to challenge by a variety of parties seeking even stricter GHG and CAFE standards. Additionally, several states are seeking to promote zero emission vehicles, such as electric vehicles, and to mandate transition away from internal combustion engines. In the Climate Agreement, EU countries expressed the ambition to achieve completely emission-free road traffic by 2050. Any increases in fuel economy standards, along with mandated increases in use of renewable fuels discussed above, as well as electric vehicle mandates or combustion engine bans, could result in decreasing demand for petroleum fuels. Decreasing demand for petroleum fuels could have a material adverse effect on our financial condition and results of operation.

Compliance with and changes in tax laws could materially and adversely impact our financial condition, results of operations and cash flows.

We are subject to extensive tax liabilities, including federal and state income taxes and transactional taxes such as excise, sales and use, payroll, franchise, withholding and property taxes. In addition, many tax liabilities are subject to periodic audits by taxing authorities, and such audits could subject us to interest and penalties. New tax laws and regulations and changes in existing tax laws and regulations could result in increased expenditures by us for tax liabilities in the future and could materially and adversely impact our financial condition, results of operations and cash flows.

Additionally, U.S. federal tax law provides various tax credits to producers of qualifying renewable fuels. These tax credits have the effect of making the production of qualifying renewable fuels more competitive by offsetting a portion of the production costs or by supplementing a portion of the revenue, but may be repealed by governmental action at any time. Alternatively, the types of renewable fuels to which these tax credits apply, as well as the applicable value, duration, and requirements, may be modified or amended by governmental action in a form where the types of fuel mixtures we produce are not eligible for the tax credits or are eligible for relatively less benefits than we anticipated. As a result, a loss of, or reduction in, U.S. federal tax credits for producers of qualifying renewable fuels could increase our production costs or decrease our revenues which, in turn, could adversely impact the financial condition, results of operations and cash flows of our renewables business.

RISKS RELATED TO CYBERSECURITY, DATA SECURITY, INFORMATION TECHNOLOGY AND INTELLECTUAL PROPERTY

Cyberattacks or security breaches could have a material adverse effect on our business, financial condition and results of operations.

Our business is dependent upon information technology systems and other digital technologies for controlling our plants and pipelines, processing transactions and summarizing and reporting results of operations. The secure processing, maintenance and transmission of information is critical to our operations. We monitor our information technology systems on a 24/7 basis in an effort to detect cyberattacks, security breaches or unauthorized access. Preventative and detective measures we utilize include independent cybersecurity audits and penetration tests. We implemented these efforts along with other risk mitigation procedures to detect and address unauthorized and damaging activity on our network, stay abreast of the increasing cybersecurity threat landscape and improve our cybersecurity posture. While there have been immaterial incidents of unauthorized access to our information technology systems, we have not experienced any impact on our business or operations from these attacks. In addition, information technology system failures, communications network disruptions (whether intentional by a third party or due to natural disaster), and security breaches could still impact equipment and software used to control plants and pipelines, resulting in improper operation of our assets, potentially including delays in the delivery or availability of our customers' products, contamination or degradation of the products we transport, store or distribute, or releases of hydrocarbon products and other damage to our facilities for which we could be held liable.

Furthermore, we collect and store sensitive data in the ordinary course of our business, including personally identifiable information of our employees as well as our proprietary business information and that of our customers, suppliers, investors and other stakeholders. Despite our security measures, our information technology systems may become the target of cyberattacks or security breaches (including employee error, malfeasance or other breaches), which could result in the theft or loss of the stored information, misappropriation of assets, disruption of transactions and reporting functions, our ability to protect customer or company information and our financial reporting. Moreover, we may not be able to anticipate, detect or prevent cyberattacks or security breaches, particularly because the methodologies used by attackers change frequently or may not be recognized until such attack is launched, and because attackers are increasingly using technologies specifically designed to circumvent cybersecurity measures and avoid detection. Even with insurance coverage for cyberattacks, data breaches or unauthorized access of our information technology systems, a claim could be denied or coverage delayed. In addition, as technologies evolve, and cyberattacks become increasingly sophisticated, we may incur significant costs to modify, upgrade or enhance our security measures to protect against such cyberattacks and we may face difficulties in fully anticipating or implementing adequate security measures or mitigating potential harm. A cyberattack or security breach could result in liability under data privacy laws, regulatory penalties, damage to our reputation or a loss of confidence in our products and services, or additional costs for remediation and modification or enhancement of our information systems to prevent future occurrences, all of which could have a material and adverse effect on our business, financial condition or results of operations.

We may be subject to information technology system failures, communications network disruptions and data breaches.

We depend on the efficient and uninterrupted operation of hardware and software systems and infrastructure, including our operating, communications and financial reporting systems. These systems are critical in meeting customer expectations, effectively tracking, maintaining and operating our equipment, directing and compensating our employees, and interfacing with our financial reporting system. We have implemented safeguards and other preventative measures to protect our systems and data, including sophisticated network security and internal control measures; however, our information technology systems and communications network, and those of our information technology and communication service providers, remain vulnerable to interruption by natural disasters, power loss, telecommunications failure, terrorist attacks, Internet failures, computer malware, ransomware, cyberattacks, data breaches and other events unforeseen or generally beyond our control. Additionally, the implementation of social distancing measures and other limitations on our employees, service providers and other third parties in response to the COVID-19 pandemic have necessitated in certain cases to switching to remote work arrangements on less secure systems and environments. The increase in companies and individuals working remotely has increased the risk of cyberattacks and potential cybersecurity incidents, both deliberate attacks and unintentional events.

Our business is subject to complex and evolving global laws, regulations and security standards regarding privacy, cybersecurity and data protection ("data protection laws"). Many of these data protection laws are subject to change and uncertain interpretation, and could result in claims, increased cost of operations, or other harm to our business.

The constantly evolving regulatory and legislative environment surrounding data privacy and protection poses increasingly complex compliance challenges, and complying with such data protection laws could increase the costs and complexity of compliance. While we do not collect significant amounts of personal information from consumers, we do have personal information from our employees, job applicants and some business partners, such as contractors and distributors. Any failure,

whether real or perceived, by us to comply with applicable data protection laws could result in proceedings or actions against us by governmental entities or others, subject us to significant fines, penalties, judgments, and negative publicity, require us to change our business practices, increase the costs and complexity of compliance, and adversely affect our business. Our compliance with laws such as the General Data Protection Regulation, and other similar privacy/security laws, as well as any associated inquiries or investigations or any other government actions related to these laws, may increase our operating costs.

We may be unable to adequately protect our intellectual property, which may increase our cost of doing business or otherwise hurt our ability to compete in the market.

We use intellectual property in the ordinary course of our business, including trademarks, trade secrets, copyrighted work and innovations, some of which is material to our business. We take measures to identify and protect our intellectual property through practices appropriate for securing and protecting exclusive rights in and to our intellectual property, including applying for registrations in the United States and in various foreign countries. Despite our efforts to protect such intellectual property, it is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose our trademarks (or other marks likely to cause confusion among our consumers), technologies, products and processes. In addition, the laws and/or judicial systems and enforcement mechanisms of foreign countries in which we create, market and sell our products may afford little or no effective protection of our intellectual property. We may also be subject to infringement complaints from others challenging our use of a technology. We cannot guarantee that our efforts to enforce our intellectual property rights against unauthorized use and appropriation, or our efforts to defend against third party claims of infringement would be successful. These potential risks to our intellectual property could subject us to increased competition and negatively impact our liquidity, financial position and results of operations.

If we fail to comply with our obligations under license or technology agreements with third parties or are unable to license rights to use technologies on reasonable terms, we may be required to pay damages or could potentially lose license rights that are critical to our business.

We obtain licenses to certain intellectual property, including technologies, data, content and software from third parties, that are important to our business, and in the future we may enter into additional agreements that provide us with licenses to valuable intellectual property or technology. If we fail to comply with any of the obligations under our license agreements, we may be required to pay damages and the licensor may have the right to terminate the license. Termination by the licensor would cause us to lose valuable rights, and could prevent us from selling our products and services, or inhibit our ability to commercialize future products and services. Our business could suffer if any current or future licenses terminate, if the licensors fail to abide by the terms of the license, if the licensed intellectual property rights are found to be invalid or unenforceable, if the licensed technology is found to infringe, misappropriate, or otherwise violate the rights of a third party, or if we are unable to enter into necessary licenses on acceptable terms. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights.

In the future, we may identify additional third-party intellectual property that we believe is necessary to engage in our business. However, such licenses may not be available on acceptable terms or at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. Even if such licenses are available, we may be required to pay the licensor substantial royalties based on sales of our products and services. Such royalties are a component of the cost of our products or services and may affect the margins on our products and services. In addition, such licenses may be non-exclusive, which could give our competitors access to the same intellectual property licensed to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition and results of operations.

RISKS RELATED TO LIQUIDITY, FINANCIAL INSTRUMENTS AND CREDIT

We may not be able to obtain funding on acceptable terms or at all because of volatility and uncertainty in the credit and capital markets. This may hinder or prevent us from meeting our future capital needs.

The domestic and global financial markets and economic conditions are disrupted and volatile from time to time due to a variety of factors, including low consumer confidence, high unemployment, geoeconomic and geopolitical issues, weak economic conditions and uncertainty in the financial services sector. In addition, the fixed-income markets have experienced periods of extreme volatility, which negatively impacted market liquidity conditions. Recently, the equity and debt markets for many energy industry companies have been adversely affected by low oil prices. As a result, the cost of raising money in the debt and equity capital markets has increased substantially at times while the availability of funds from these markets

diminished significantly. In particular, as a result of concerns about the stability of financial markets generally and the solvency of lending counterparties specifically, the cost of obtaining money from the credit markets may increase as many lenders and institutional investors increase interest rates, enact tighter lending standards, refuse to refinance existing debt on similar terms or at all and reduce, or in some cases cease to provide, funding to borrowers. In addition, lending counterparties under any existing revolving credit facility and other debt instruments may be unwilling or unable to meet their funding obligations, or we may experience a decrease in our capacity to issue debt or obtain commercial credit or a deterioration in our credit profile, including a rating agency lowering or withdrawing of our credit ratings if, in its judgment, the circumstances warrant. Due to these factors, we cannot be certain that new debt or equity financing will be available on acceptable terms. If funding is not available when needed, or is available only on unfavorable terms, we may be unable to meet our obligations as they come due or we may be required to sell assets. Moreover, without adequate funding, we may be unable to execute our growth strategy, complete future acquisitions or construction projects, take advantage of other business opportunities or respond to competitive pressures, comply with regulatory requirements, or meet our short-term or long-term working capital requirements, any of which could have a material adverse effect on our revenues and results of operations. Failure to comply with regulatory requirements in a timely manner or meet our short-term or long-term working capital requirements could subject us to regulatory action.

We are exposed to the credit risks, and certain other risks, of our key customers and vendors.

We are subject to risks of loss resulting from nonpayment or nonperformance by our customers. We derive a significant portion of our revenues from contracts with key customers. Additionally, certain key customers of the recently-acquired Puget Sound Refinery contribute significantly to the cash flows and profitability of that facility. Any default or delay in payment by, or disputes with, those customers could have an adverse impact on our financial results.

If any of our key customers default on their obligations to us, our financial results could be adversely affected. Furthermore, some of our customers may be highly leveraged and subject to their own operating and regulatory risks. For example, in a low commodity price environment, certain of our customers have been or could be negatively impacted, causing them significant economic stress and resulting in an increase in nonpayment and/or nonperformance by them. Any such default or delay in payment by our customers could negatively affect our operating results in the periods in which they occur, and, if significant, could materially or adversely affect our business, financial condition, results of operations, and cash flows. In addition, nonperformance by vendors who have committed to provide us with products or services could result in higher costs or interfere with our ability to successfully conduct our business.

Any substantial increase in the nonpayment and/or nonperformance by our customers or vendors could have a material adverse effect on our results of operations and cash flows.

Changes in our credit profile, or a significant increase in the price of crude oil, may affect our relationship with our suppliers, which could have a material adverse effect on our liquidity and limit our ability to purchase sufficient quantities of crude oil to operate our refineries at desired capacity.

An unfavorable credit profile, or a significant increase in the price of crude oil, could affect the way crude oil suppliers view our ability to make payments and induce them to shorten the payment terms of their invoices with us or require credit enhancement. Due to the large dollar amounts and volume of our crude oil and other feedstock purchases, any imposition by our suppliers of more burdensome payment terms or credit enhancement requirements on us may have a material adverse effect on our liquidity and our ability to make payments to our suppliers. This in turn could cause us to be unable to operate our refineries at desired capacity. A failure to operate our refineries at desired capacity could adversely affect our profitability and cash flow.

Our credit facility contains certain covenants and restrictions that may constrain our business and financing activities.

The operating and financial restrictions and covenants in our credit facility and any future financing agreements could adversely affect our ability to finance future operations or capital needs or to engage, expand or pursue our business activities. For example, our revolving credit facility imposes usual and customary requirements for this type of credit facility, including: (i) limitations on liens and indebtedness; (ii) a prohibition on changes in control and (iii) restrictions on engaging in mergers and consolidations. If we fail to satisfy the covenants set forth in the credit facility or another event of default occurs under the credit facility, the maturity of the loan could be accelerated or we could be prohibited from borrowing for our future working capital needs and issuing letters of credit. We might not have, or be able to obtain, sufficient funds to make these immediate payments. If we desire to undertake a transaction that is prohibited by the covenants in our credit facility, we will need to obtain consent under our credit facility. Such refinancing may not be possible or may not be available on commercially acceptable terms.

Our hedging transactions may limit our gains and expose us to other risks.

We periodically enter into derivative transactions as it relates to inventory levels and/or future production to manage the risks from changes in the prices of crude oil, refined products and other feedstocks. These transactions limit our potential gains if commodity prices move above or below the certain price levels established by our hedging instruments. We hedge price risk on inventories above our target levels to minimize the impact these price fluctuations have on our earnings and cash flows. Consequently, our hedging results may fluctuate significantly from one reporting period to the next depending on commodity price fluctuations and our relative physical inventory positions. These transactions may also expose us to risks of financial losses; for example, if our production is less than we anticipated at the time we entered into a hedge agreement or if a counterparty to our hedge agreements fails to perform its obligations under the agreements.

We have temporarily suspended our quarterly dividends and may be unable to pay future dividends.

In connection with the acquisition of the Puget Sound Refinery, our Board of Directors approved a one-year suspension of the regular quarterly dividend effective with the dividend to be declared for the first quarter of 2021. Although we expect to resume the quarterly dividend after the one-year suspension period, we will only be able to pay dividends from our available cash on hand, cash from operations or borrowings under our credit agreement. The declaration of future dividends on our common stock is evaluated quarterly and will be at the discretion of our Board of Directors and will depend upon many factors, including our results of operations, financial condition, earnings, capital requirements, and restrictions in our debt agreements and legal requirements. We cannot assure you that any dividends will be paid or the frequency or amounts of such payments.

Item 1B. Unresolved Staff Comments

We do not have any unresolved staff comments.

Item 3. Legal Proceedings

Commitment and Contingency Reserves

In the ordinary course of business, we may become party to legal, regulatory or administrative proceedings or governmental investigations, including environmental and other matters. Damages or penalties may be sought from us in some matters and certain matters may require years to resolve. While the outcome and impact of these proceedings and investigations on us cannot be predicted with certainty, based on advice of counsel and information currently available to us, management believes that the resolution of these proceedings and investigations through settlement or adverse judgment will not either individually or in the aggregate have a material adverse effect on our financial condition, results of operations or cash flows.

The environmental proceedings are reported to comply with SEC regulations which require us to disclose proceedings arising under provisions regulating the discharge of materials into the environment or protecting the environment when a governmental authority is party to the proceedings and such proceedings involve potential monetary sanctions that we reasonably believe could exceed \$300,000 or more. Certain disclosures made under the SEC's prior \$100,000 threshold will remain until their resolution.

Environmental Matters

Our respective subsidiaries have or will develop corrective action plans regarding these disclosures that will be implemented in consultation with the respective federal and state agencies. It is not possible to predict the ultimate outcome of these proceedings, although none are currently expected to have a material effect on our financial condition, results of operations or cash flows.

El Dorado

HollyFrontier El Dorado Refining LLC (“HFEDR”) has been engaged in discussions with, and has responded to document requests from, the EPA, the U.S. Department of Justice (“DOJ”) and the State of Kansas regarding alleged Clean Air Act civil violations relating to flaring devices and other equipment at the refinery. Topics of the discussions included: (a) three information requests for activities beginning in January 2009, (b) compliance issues with respect to the Clean Air Act’s Risk Management Program (“RMP”) relating to a November 2014 inspection and subsequent events, (c) a Notice of Violation issued by the EPA in August 2017, and (d) possible late reporting under the Emergency Planning and Community Right-to-Know Act for the release of sulfur dioxide and visible emissions from October 2018.

Some of the foregoing civil investigations resulted from fires that occurred at the El Dorado Refinery in September 2017, October 2018 and March 2019. An employee fatality occurred during the September 2017 event. On May 28, 2020, HFEDR reached a settlement in the form of a proposed consent decree with the EPA, the DOJ, and the State of Kansas regarding the alleged Clean Air Act civil violations relating to flaring devices and other equipment at the refinery, as well as compliance with the RMP.

The proposed consent decree was lodged with the U.S. District Court for the District of Kansas, and the 30-day public comment period ended on July 18, 2020. On July 27, 2020, the EPA, the DOJ and the State of Kansas filed their Unopposed Motion to enter the Consent Decree with the U.S. District Court for the District of Kansas, and on August 27, 2020, the consent decree was entered by the district judge and became effective. Pursuant to the consent decree, among other terms and conditions, HFEDR is required to complete certain projects, implement protocols regarding the examination of its fired heaters and conduct a third party RMP audit of certain of its processes. In addition, HFEDR was required to pay a civil penalty of \$2 million to the United States and \$2 million to the State of Kansas in two installments, the first half within 30 days of entry of the consent decree and the second within six months of entry of the consent decree. All payments have been timely made, and HFEDR has undertaken several of the required projects. The consent decree resolves the alleged federal and state civil Clean Air Act liability for penalties and injunctive relief, other than potential civil penalties for RMP violations. Finally, as part of the settlement, a 2009 consent decree applicable to the refinery was terminated. In March 2021, the EPA contacted HFEDR to begin discussions on potential civil penalties for the RMP violations noted above, and those negotiations commenced in January 2022. The EPA also presented to HFEDR potential claims regarding violations of its consent decree which, if substantiated, may result in stipulated penalties. HFEDR will continue to work with the EPA and DOJ to resolve these matters.

Tulsa

HollyFrontier Tulsa Refining LLC (“HFTR”) operates under two Consent Decrees with the EPA and the Oklahoma Department of Environmental Quality (“ODEQ”) for the Tulsa East and West refineries. On April 3, 2019, the EPA notified HFTR of potential violations of the Consent Decrees. On December 1, 2020, ODEQ, on behalf of ODEQ and the EPA, issued two demand letters alleging violations under the Consent Decrees, which stemmed from inspections conducted by the EPA at the refineries from May 1 through 5, 2017, as well as from a review of the refineries’ records. The alleged violations included the failure to comply with applicable continuous emissions monitoring system (“CEMS”) requirements and exceedances of the hydrogen sulfide (“H₂S”) emission limits. During a follow-up conference call with ODEQ, on January 6, 2021, ODEQ shared its stipulated penalty amounts for alleged violations pursuant to the two Consent Decrees. HFTR submitted timely responses to the ODEQ demand letters on February 8, 2021. Based on HFTR’s responses, during a follow-up conference call on April 9, 2021, ODEQ confirmed both ODEQ and EPA had reduced the stipulated penalties for the alleged violations of the two Consent Decrees and was seeking total stipulated penalties of \$93,500. On April 9, 2021, HFTR confirmed acceptance of the above-referenced penalties. Pursuant to a December 9, 2021 email, ODEQ again confirmed EPA’s agreement and indicated the revised demand letter would be forthcoming. By letter dated December 15, 2021, ODEQ sent a demand letter to HFTR regarding the Tulsa East refinery. The demand letter assessed stipulated penalties in the amount of \$39,000 regarding the above-referenced alleged violations at the Tulsa East refinery. By letter dated December 16, 2021, the ODEQ sent a demand letter to HFTR regarding the Tulsa West refinery. The demand letter assessed stipulated penalties in the amount of \$54,500 regarding the above-referenced alleged violations at the Tulsa West refinery. HFTR paid both penalties in January 2022 and these matters are resolved.

Navajo

HollyFrontier Navajo Refining LLC (“HFNR”) has been engaged in discussions with, and has responded to document requests from, the EPA, the DOJ and the New Mexico Environment Department (“NMED”) (collectively, the “Agencies”) regarding HFNR’s compliance with the Clean Air Act (“CAA”) and related regulations, and similar New Mexico laws and regulations, at its Artesia and Lovington, New Mexico refineries. The discussions have included the following topics: (a) alleged noncompliance with CAA’s National Emission Standards for Hazardous Air Pollutants (“NESHAP”) and New Source Performance Standards (“NSPS”) at the Artesia refinery, which were set forth in a Notice of Violation (“May 2020 NOV”) issued by the EPA in May 2020; (b) a Post Inspection Notice issued in June 2020 by the NMED, alleging noncompliance issues similar to those alleged by the EPA in its May 2020 NOV; (c) an information request issued in September 2020 by the EPA, pursuant to CAA Section 114, related to benzene fence-line monitoring, flare fuel gas, storage vessels and tanks, and other information regarding the Artesia refinery; and (d) an information request issued by the EPA in May 2021, pursuant to CAA Section 114, requesting additional information and testing related to certain tanks at the Artesia refinery.

Beginning in the spring of 2021, HFNR and the Agencies began monthly meetings to discuss potential injunctive relief measures to address the alleged noncompliance at the Artesia refinery. In September 2021, the EPA presented to HFNR potential claims for stipulated penalties for alleged noncompliance with a 2002 consent decree.

HFNR continues to work with the Agencies to resolve these issues. At this time, no penalties have been demanded, and it is too early to predict the outcome of this matter.

Renewable Fuel Standard

Various subsidiaries of HollyFrontier are currently intervenors in two lawsuits brought by renewable fuel interest groups against the EPA in federal courts alleging violations of the Renewable Fuel Standard under the Clean Air Act and challenging the EPA’s handling of small refinery exemptions. We intervened to vigorously defend the EPA’s position on small refinery exemptions because we believe the EPA correctly applied applicable law to the matters at issue.

The first lawsuit is before the Tenth Circuit and challenges the relief the EPA afforded to the Cheyenne refinery following the grant of small refinery exemptions. The matter is fully briefed and remains pending before that court.

The second lawsuit is currently pending before the DC Circuit. On August 25, 2021, the EPA filed a motion to voluntarily remand the matter to the EPA. We did not oppose this motion. The DC Circuit granted EPA’s motion for a voluntary remand, but ordered the agency to issue decisions on the challenged 2018 small refinery exemption decisions within 90 days of the court’s December 8, 2021 order or 90 days from the submission of supplemental materials by the small refineries so long as a decision is made within 120 days of the court’s order.

HollyFrontier was also recently an intervenor in another lawsuit filed in the Tenth Circuit challenging the grant of small refinery exemptions to the Cheyenne and Woods Cross refineries for the 2016 compliance year. On January 24, 2020, the U.S. Court of Appeals for the Tenth Circuit vacated the small refinery exemptions granted to the Cheyenne and Woods Cross refineries for 2016 and remanded the case to the EPA for further proceedings. On April 15, 2020, the Tenth Circuit issued its mandate, remanding the matter back to the EPA. On September 4, 2020, various subsidiaries of HollyFrontier filed a Petition for a Writ of Certiorari with the U.S. Supreme Court seeking review of the Tenth Circuit decision. On January 8, 2021, the U.S. Supreme Court granted HollyFrontier’s petition. The oral argument occurred on April 27, 2021. The U.S. Supreme Court issued its opinion in this matter on June 25, 2021 and reversed the Tenth Circuit. On July 27, 2021, the Tenth Circuit recalled the mandate it issued to the EPA on April 15, 2020, and vacated its January 24, 2020 judgment. On July 29, 2021, the Tenth Circuit issued an order and judgment confirming that it recalled its mandate and vacated its previous judgment in this case, and returned jurisdiction to the EPA without vacating the exemption decisions. On August 19, 2021, the EPA filed a motion for clarification of the Tenth Circuit’s mandate. The Tenth Circuit denied the EPA’s motion on August 26, 2021, and therefore the matter is now solely before the EPA.

Shareholder Litigation Related to Acquisition of Sinclair Oil Corporation

A shareholder action was filed in the District Court of Harris County, Texas captioned: *Garfield v. Myers, Franklin, et al.* (filed October 11, 2021) (the “State Action”) by an alleged shareholder of HollyFrontier challenging our proposed acquisition of certain refining, marketing and other businesses of Sinclair Oil Corporation (the “Acquisition”) and naming as defendants HollyFrontier and its Board of Directors. The complaint alleged, among other things, that the Acquisition involves unfair dilution of existing HollyFrontier stockholders, overpayment for Sinclair’s downstream business, and improper diversion of Sinclair’s midstream business to HEP; that certain conflicts of interest exist between HollyFrontier, its insiders, and its financial advisor; and that the proxy statement is materially misleading and incomplete. The complaint asserted claims against the director defendants for alleged breach of fiduciary duties, failure to disclose under Delaware law, and diversion of corporate opportunity under Delaware law.

Seven additional shareholder actions were filed in federal courts on behalf of individual alleged shareholders: *Lovoi v. HollyFrontier Corp et. al.* (filed October 28, 2021 in the Southern District of New York); *Abrams v. HollyFrontier Corp., et al.* (filed November 10, 2021 in the Southern District of New York); *Quayle v. HollyFrontier Corp., et al.* (filed November 16, 2021 in the District of Colorado); *Jenkins v. HollyFrontier Corp., et al.* (filed November 16, 2021 in the Southern District of New York); *Bancroft v. HollyFrontier Corp., et al.* (filed November 23, 2021 in the Southern District of New York); *Jacobs v. HollyFrontier Corp., et al.* (filed November 23, 2021 in the District of Delaware); and *Dolan v. HollyFrontier Corp., et al.* (filed November 23, 2021 in the District of Delaware) (the “Federal Actions”, together with the State Action, the “Lawsuits”). All assert claims under Section 14(a) of the Exchange Act and SEC Rule 14a-9 and claims under Section 20(a) of the Exchange Act against HollyFrontier and members of HollyFrontier’s Board of Directors, based on the allegation that the preliminary proxy statement for the Acquisition omitted material information about HollyFrontier’s financial projections and the analyses conducted by its financial advisor.

HollyFrontier also received two demands from individual alleged shareholders alleging claims similar to those in the Federal Actions (the “Demands”, together with the Federal Actions, the “Matters”).

HollyFrontier believes that the Lawsuits and Demands described above are without merit, and that no further disclosure was required under applicable law. However, HollyFrontier made supplemental disclosures on November 30, 2021 to avoid the risk that the Lawsuits may delay or otherwise adversely affect the consummation of the Acquisition and to minimize the expense of defending such action.

HollyFrontier entered into a Settlement Agreement with the plaintiff in the State Action, and the State Action was voluntarily dismissed with prejudice on December 13, 2021. Five of the Federal Actions have also been voluntarily dismissed: *Bancroft v. HollyFrontier Corp.* in the Southern District of New York was voluntarily dismissed on December 13, 2021; *Quayle v. HollyFrontier Corp.* in the District of Colorado was voluntarily dismissed on December 21, 2021; *Lovoi v. HollyFrontier Corp.* in the Southern District of New York was voluntarily dismissed on January 7, 2022; *Abrams v. HollyFrontier Corp.* in the Southern District of New York was voluntarily dismissed on January 7, 2022; and *Jenkins v. HollyFrontier Corp.* in the Southern District of New York was voluntarily dismissed on January 25, 2022.

With respect to the rest of the Matters, HollyFrontier’s additional disclosures moot the claims therein.

Other

We are a party to various other litigation and proceedings that we believe, based on advice of counsel, will not either individually or in the aggregate have a materially adverse impact on our financial condition, results of operations or cash flows.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is traded on the New York Stock Exchange under the trading symbol "HFC."

In November 2019, our Board of Directors approved a \$1.0 billion share repurchase program, which replaced all existing share repurchase programs. The timing and amount of stock repurchases will depend on market conditions and corporate, regulatory and other relevant considerations. We do not intend to repurchase common stock under our \$1.0 billion share repurchase program until completion of our ongoing renewables capital projects and closure of the Sinclair acquisition. This program may be discontinued at any time by the Board of Directors. The following table includes repurchases made under this program during the fourth quarter of 2021.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs
October 2021	—	\$ —	—	\$ 1,000,000,000
November 2021	—	\$ —	—	\$ 1,000,000,000
December 2021	—	\$ —	—	\$ 1,000,000,000
Total for October to December 2021	—	—	—	—

As of February 15, 2022, we had approximately 106,520 stockholders, including beneficial owners holding shares in street name.

We intend to consider the declaration of a dividend on a quarterly basis, although there is no assurance as to future dividends since they are dependent upon future earnings, capital requirements, our financial condition and other factors.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Item 7 contains "forward-looking" statements. See "Forward-Looking Statements" at the beginning of this Annual Report on Form 10-K. In this document, the words "we," "our," "ours" and "us" refer only to HollyFrontier and its consolidated subsidiaries or to HollyFrontier or an individual subsidiary and not to any other person with certain exceptions. Generally, the words "we," "our," "ours" and "us" include HEP and its subsidiaries as consolidated subsidiaries of HollyFrontier, unless when used in disclosures of transactions or obligations between HEP and HollyFrontier or its other subsidiaries. This document contains certain disclosures of agreements that are specific to HEP and its consolidated subsidiaries and do not necessarily represent obligations of HollyFrontier. When used in descriptions of agreements and transactions, "HEP" refers to HEP and its consolidated subsidiaries.

OVERVIEW

We are an independent petroleum refiner and marketer that produces high-value light products such as gasoline, diesel fuel, jet fuel, specialty lubricant products and specialty and modified asphalt. As of December 31, 2021, we owned and operated refineries located in Kansas, Oklahoma, New Mexico, Washington and Utah and we market our refined products principally in the Southwest United States, the Rocky Mountains extending into the Pacific Northwest and in other neighboring Plains states. In addition, we produce base oils and other specialized lubricants in the United States, Canada and the Netherlands, and export products to more than 80 countries. We also own a 57% limited partner interest and a non-economic general partner interest in HEP, a master limited partnership that provides petroleum product and crude oil transportation, terminalling, storage and throughput services to the petroleum industry, including HollyFrontier Corporation subsidiaries.

On August 2, 2021, HollyFrontier, Hippo Parent Corporation, a wholly owned subsidiary of HollyFrontier (“New Parent”), Hippo Merger Sub, Inc., a wholly owned subsidiary of New Parent (“Parent Merger Sub”), The Sinclair Companies (“Sinclair”), and Hippo Holding LLC, a wholly owned subsidiary of Sinclair (the “Target Company”), entered into a business combination agreement (the “Business Combination Agreement”). Pursuant to the Business Combination Agreement, HollyFrontier will acquire the Target Company by effecting (a) a holding company merger in accordance with Section 251(g) of the Delaware General Corporation Law whereby HollyFrontier will merge with and into Parent Merger Sub, with HollyFrontier surviving such merger as a direct wholly owned subsidiary of New Parent (the “HFC Merger”) and (b) immediately following the HFC Merger, a contribution whereby Sinclair will contribute all of the equity interests of the Target Company to New Parent in exchange for shares of New Parent, resulting in the Target Company becoming a direct wholly owned subsidiary of New Parent (the “Sinclair Oil Acquisition” and together with the HFC Merger, the “HFC Transactions”).

Under the terms of the Business Combination Agreement, (a) each share of common stock of HollyFrontier, par value \$0.01 per share, will be automatically converted into one share of common stock of New Parent, par value \$0.01 per share (“New Parent Common Stock”) and (b) Sinclair will contribute the equity interests in the Target Company to New Parent in exchange for 60,230,036 shares of New Parent Common Stock, subject to adjustment if, as a condition to obtaining antitrust clearance for the Sinclair Transactions (as defined below), HollyFrontier agrees to divest certain Woods Cross Refinery assets and the sales price for such assets does not exceed a threshold provided in the Business Combination Agreement.

Additionally, on August 2, 2021, HEP, Sinclair and Sinclair Transportation Company, a wholly owned subsidiary of Sinclair (“STC”), entered into a contribution agreement (the “Contribution Agreement”) pursuant to which HEP will acquire all of the outstanding shares of STC in exchange for 21 million newly issued common limited partner units of HEP and cash consideration equal to \$325 million (the “HEP Transactions”, and together with the HFC Transactions, the “Sinclair Transactions”), subject to downward adjustment if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, HEP agrees to divest a portion of its equity interest in UNEV Pipeline, LLC and the sales price for such interests does not exceed the threshold provided in the Contribution Agreement.

The Sinclair Transactions are expected to close in 2022, subject to customary closing conditions and regulatory clearance, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (“HSR Act”). On August 23, 2021, each of HollyFrontier and Sinclair filed its respective premerger notification and report regarding the Sinclair Transactions with the U.S. Department of Justice and the U.S. Federal Trade Commission (the “FTC”) under the HSR Act. On September 22, 2021, HollyFrontier and Sinclair each received a request for additional information and documentary material (“Second Request”) from the FTC in connection with the FTC’s review of the Sinclair Transactions. Issuance of the Second Request extends the waiting period under the HSR Act until 30 days after both HollyFrontier and Sinclair have substantially complied with the Second Request, unless the waiting period is terminated earlier by the FTC or the parties otherwise commit not to close the Sinclair Transactions for some additional period of time. HollyFrontier and Sinclair are cooperating with the FTC staff in its review and are working diligently to satisfy the closing conditions as soon as possible. In addition, the HFC Transactions and the HEP Transactions are cross-conditioned on each other. See Note 2 “Acquisitions” in the Notes to Consolidated Financial Statements for additional information.

On May 4, 2021, our wholly owned subsidiary, HollyFrontier Puget Sound Refining LLC, entered into a sale and purchase agreement with Equilon Enterprises LLC d/b/a Shell Oil Products US (“Shell”) to acquire Shell’s Puget Sound refinery. The acquisition closed on November 1, 2021. Cash consideration paid was \$624.3 million. The Puget Sound Refinery is strategically located on approximately 850 acres in Anacortes, Washington. The 149,000 BPD facility is a large, high quality and complex refinery with catalytic cracking and delayed coking units and is well positioned geographically and logistically to source advantaged Canadian and Alaskan North Slope crudes. In addition to refining assets and an on-site cogeneration facility, the transaction includes a deep-water marine dock, a light product loading rack, a rail terminal and storage tanks with approximately 5.8 million barrels of crude, product and other hydrocarbon storage capacity.

On April 27, 2021, our wholly owned subsidiary, 7037619 Canada Inc., entered into a contract for sale of real property in Mississauga, Ontario for base consideration of \$98.8 million, or CAD 125 million. The transaction closed on September 15, 2021, and we recorded a gain on sale of assets totaling \$86.0 million for the year ended December 31, 2021, which was recognized in “Gain on sale of assets and other” on our consolidated statements of operations.

During the first quarter of 2021, we initiated a restructuring within our Lubricants and Specialty Products segment. As a result of this restructuring, we recorded \$7.8 million in employee severance costs for the year ended December 31, 2021, which were recognized primarily as selling, general and administrative expenses in our Lubricants and Specialty Products segment.

In the third quarter of 2020, we permanently ceased petroleum refining operations at our Cheyenne Refinery and subsequently began converting certain assets at our Cheyenne Refinery to renewable diesel production. In connection with the cessation of petroleum refining operations at our Cheyenne Refinery, we recognized \$25.8 million in decommissioning expense and \$1.0 million in employee severance costs for the year ended December 31, 2021, which were recognized in operating expenses in our Corporate and Other segment.

On November 12, 2018, we entered into an equity purchase agreement to acquire 100% of the issued and outstanding capital stock of Sonneborn. The acquisition closed on February 1, 2019. Cash consideration paid was \$662.7 million. Sonneborn is a producer of specialty hydrocarbon chemicals such as white oils, petrolatums and waxes with manufacturing facilities in the United States and Europe.

For the year ended December 31, 2021, net income attributable to HollyFrontier stockholders was \$558.3 million compared to net loss of \$601.4 million and net income of \$772.4 million for the years ended December 31, 2020, and 2019, respectively. Gross refining margins per produced barrel sold for 2021 increased 49% over the year ended December 31, 2020.

Pursuant to the 2007 Energy Independence and Security Act, the EPA promulgated the RFS regulations, which increased the volume of renewable fuels mandated to be blended into the nation's fuel supply. The regulations, in part, require refiners to add annually increasing amounts of "renewable fuels" to their petroleum products or purchase credits, known as RINs, in lieu of such blending. Compliance with RFS regulations significantly increases our cost of products sold, with RINs costs totaling \$548.0 million for the year ended December 31, 2021. At December 31, 2021, our open RINs credit obligations were \$9.4 million.

The EPA did not meet its November 30, 2020 statutory deadline to set the 2021 renewable volume obligations. However, on December 7, 2021, the EPA proposed renewable volume obligations for 2021 and 2022 along with a proposed reduction to the 2020 renewable volume obligations. The public comment period for the proposed renewable volume obligations closed on February 4, 2022. We will continue to monitor and adjust our RINs position commensurate with our production levels, market conditions and RFS regulations. Final EPA mandate could impact our future earnings and results of operations.

Impact of COVID-19 on Our Business

The COVID-19 pandemic caused a decline in U.S. and global economic activity starting in the first quarter of 2020. This decrease reduced both volumes and unit margins across our businesses, resulting in lower gross margins and earnings. Global demand for transportation fuels began to improve late in the second quarter of 2020, but remained below pre-pandemic levels as of the end of the fourth quarter of 2021. In response to this demand and margin environment, as well as both planned and unplanned maintenance and weather-related downtime, we operated our Refining segment refineries at an average crude charge of 421,000 BPD during the fourth quarter of 2021.

In our Lubricants and Specialty Products segment, total gross margins and earnings experienced seasonal declines in the fourth quarter, with the mix shifting toward the Rack Forward portion of the business. The Rack Back portion experienced some margin compression from record levels and a combination of strong demand as well as limited supply due to a number of factors.

Our standalone (excluding HEP) liquidity was approximately \$1.6 billion at December 31, 2021, consisting of cash and cash equivalents of \$220.1 million and an undrawn \$1.35 billion credit facility maturing in 2026. Our standalone (excluding HEP) principal amount of long-term debt was \$1.75 billion as of December 31, 2021, which consists of \$350.0 million in aggregate principal amount of 2.625% senior notes due in 2023, \$1.0 billion in aggregate principal amount of 5.875% senior notes due in 2026 and \$400.0 million in aggregate principal amount of 4.500% senior notes due in 2030.

OUTLOOK

The impact of the COVID-19 pandemic on the global macroeconomy created an unprecedented reduction in demand, as well as a lack of forward visibility, for many of the transportation fuels, lubricants and specialty products and the associated transportation and terminal services we provide. Since the declines in demand at the beginning of the COVID-19 pandemic, we began to see improvement in demand for these products and services beginning late in the second quarter of 2020 and demand has largely recovered in the markets we serve with the exception of certain products, such as jet fuel.

Most of our employees have returned to work at our locations, and we continue to follow Centers for Disease Control and local government guidance. We will continue to monitor developments in the COVID-19 pandemic and the dynamic environment it has created to properly address these policies going forward.

Within our Refining segment, for the first quarter of 2022, we expect to run between 490,000 – 510,000 barrels per day of crude oil. This guidance includes the impacts of weather-related downtime at the Puget Sound Refinery in the month of January, a scheduled turnaround at the Woods Cross Refinery as well as maintenance activities at the Navajo Refinery throughout the first quarter of 2022.

Within our Lubricants and Specialty Products segment, for the first quarter of 2022, we expect seasonal improvement in earnings and a continued shift in mix toward Rack Forward from Rack Back. This is driven by our expectation for continued declines in base oil prices and margins through the first quarter of 2022 as base oil supply continues to recover.

In the first quarter of 2022, HEP expects to hold the quarterly distribution constant at \$0.35 per unit, or \$1.40 on an annualized basis. HEP remains committed to its distribution strategy focused on funding all capital expenditures and distributions within operating cash flow and maintaining distributable cash flow coverage of 1.3x or greater with the goal of reducing leverage to 3.0-3.5x.

During the third quarter of 2020, we increased our liquidity by \$750.0 million with the issuance of \$350.0 million in aggregate principal amount of 2.625% senior notes due in 2023 and \$400.0 million in aggregate principal amount of 4.500% senior notes due in 2030. This additional liquidity was used for general corporate purposes, including for capital expenditures related to our renewable diesel projects. We do not intend to repurchase common stock under our \$1.0 billion share repurchase program until completion of our ongoing renewables capital projects and completion of the Sinclair Acquisition. In addition, on November 1, 2021, we closed on the acquisition of the Puget Sound Refinery, which was funded with a one-year suspension of our regular quarterly dividend and cash on hand. Our Board of Directors approved the one-year suspension of the regular quarterly dividend effective with the dividend declared for the first quarter of 2021 and is expected to resume the dividend after such time.

On March 27, 2020, the U.S. government passed the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), an approximately \$2 trillion stimulus package that included various provisions intended to provide relief to individuals and businesses in the form of tax changes, loans and grants, among others. At this time, we have not sought relief in the form of loans or grants from the CARES Act; however, we have benefited from certain tax deferrals in the CARES Act and may benefit from other tax provisions if we meet the requirements to do so. We anticipate \$83 million in cash tax benefit in 2022 from the net operating loss carryback provisions under the CARES Act.

The extent to which our future results are affected by the COVID-19 pandemic will depend on various factors and consequences beyond our control, such as the duration and scope of the pandemic, the effects of any new variant strains of the underlying virus, additional actions by businesses and governments in response to the pandemic and the speed and effectiveness of responses to combat the virus. The COVID-19 pandemic, and the volatile regional and global economic conditions stemming from it, could also exacerbate the risk factors identified in this Form 10-K under “Risk Factors” in Item 1A. The COVID-19 pandemic may also materially adversely affect our results in a manner that is either not currently known or that we do not currently consider to be a significant risk to our business.

A more detailed discussion of our financial and operating results for the years ended December 31, 2021 and 2020 is presented in the following sections. Discussions of year-over-year comparisons for 2020 and 2019 can be found in “Management's Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2020.

RESULTS OF OPERATIONS

Financial Data

	Years Ended December 31,		
	2021	2020	2019
	(In thousands, except per share data)		
Sales and other revenues	\$ 18,389,142	\$ 11,183,643	\$ 17,486,578
Operating costs and expenses:			
Cost of products sold (exclusive of depreciation and amortization):			
Cost of products sold (exclusive of lower of cost or market inventory valuation adjustment)	15,567,052	9,158,805	13,918,384
Lower of cost or market inventory valuation adjustment	(310,123)	78,499	(119,775)
	15,256,929	9,237,304	13,798,609
Operating expenses (exclusive of depreciation and amortization)	1,517,478	1,300,277	1,394,052
Selling, general and administrative expenses (exclusive of depreciation and amortization)	362,010	313,600	354,236
Depreciation and amortization	503,539	520,912	509,925
Goodwill and long-lived asset impairments	—	545,293	152,712
Total operating costs and expenses	17,639,956	11,917,386	16,209,534
Income (loss) from operations	749,186	(733,743)	1,277,044
Other income (expense):			
Earnings of equity method investments	12,432	6,647	5,180
Interest income	4,019	7,633	22,139
Interest expense	(125,175)	(126,527)	(143,321)
Gain on business interruption insurance settlement	—	81,000	—
Gain tariff settlement	51,500	—	—
Gain on sales-type leases	—	33,834	—
Loss on early extinguishment of debt	—	(25,915)	—
Gain (loss) on foreign currency transactions	(2,938)	2,201	5,449
Gain on sale of assets and other	98,128	7,824	5,013
	37,966	(13,303)	(105,540)
Income (loss) before income taxes	787,152	(747,046)	1,171,504
Income tax expense (benefit)	123,898	(232,147)	299,152
Net income (loss)	663,254	(514,899)	872,352
Less net income attributable to noncontrolling interest	104,930	86,549	99,964
Net income (loss) attributable to HollyFrontier stockholders	\$ 558,324	\$ (601,448)	\$ 772,388
Earnings (loss) per share:			
Basic	\$ 3.39	\$ (3.72)	\$ 4.64
Diluted	\$ 3.39	\$ (3.72)	\$ 4.61
Cash dividends declared per common share	\$ 0.35	\$ 1.40	\$ 1.34
Average number of common shares outstanding:			
Basic	162,569	161,983	166,287
Diluted	162,569	161,983	167,385

Other Financial Data

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Net cash provided by operating activities	\$ 406,682	\$ 457,931	\$ 1,548,611
Net cash used for investing activities	\$ (1,327,219)	\$ (330,162)	\$ (972,914)
Net cash provided by (used for) financing activities	\$ (211,803)	\$ 353,226	\$ (848,255)
Capital expenditures	\$ 813,409	\$ 330,160	\$ 293,763
EBITDA ⁽¹⁾	\$ 1,306,917	\$ (193,789)	\$ 1,702,647

- (1) Earnings before interest, taxes, depreciation and amortization, which we refer to as “EBITDA,” is calculated as net income (loss) attributable to HollyFrontier stockholders plus (i) interest expense, net of interest income, (ii) income tax provision, and (iii) depreciation and amortization. EBITDA is not a calculation provided for under GAAP; however, the amounts included in the EBITDA calculation are derived from amounts included on our consolidated financial statements. EBITDA should not be considered as an alternative to net income or operating income as an indication of our operating performance or as an alternative to operating cash flow as a measure of liquidity. EBITDA is not necessarily comparable to similarly titled measures of other companies. EBITDA is presented here because it is a widely used financial indicator used by investors and analysts to measure performance. EBITDA is also used by our management for internal analysis and as a basis for financial covenants. EBITDA presented above is reconciled to net income under “Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles” following Item 7A of Part II of this Form 10-K.

Supplemental Segment Operating Data

Our operations are organized into three reportable segments, Refining, Lubricants and Specialty Products and HEP. See Note 20 “Segment Information” in the Notes to Consolidated Financial Statements for additional information on our reportable segments.

Refining Segment Operating Data

As of December 31, 2021, our refinery operations included the El Dorado, Tulsa, Puget Sound, Navajo and Woods Cross Refineries. The refinery operations of the Puget Sound Refinery are included for the period November 1, 2021 (date of acquisition) through December 31, 2021. The following tables set forth information, including non-GAAP performance measures, about our consolidated refinery operations, which were retrospectively adjusted at year ended December 31, 2020 to reflect the revised regional groupings upon the Cheyenne Refinery permanently ceasing petroleum refining operations in the third quarter of 2020. The cost of products and refinery gross and net operating margins do not include the non-cash effects of long-lived asset impairment charges, lower of cost or market inventory valuation adjustments and depreciation and amortization. Reconciliations to amounts reported under GAAP are provided under “Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles” following Item 7A of Part II of this Form 10-K.

	Years Ended December 31,		
	2021 ⁽⁸⁾	2020	2019
Consolidated			
Crude charge (BPD) ⁽¹⁾	400,720	365,190	388,860
Refinery throughput (BPD) ⁽²⁾	431,870	395,080	417,570
Sales of produced refined products (BPD) ⁽³⁾	424,100	391,670	414,370
Refinery utilization ⁽⁴⁾	93.1 %	90.2 %	96.0 %
Average per produced barrel ⁽⁵⁾			
Refinery gross margin	\$ 10.89	\$ 7.29	\$ 15.92
Refinery operating expenses ⁽⁶⁾	7.04	6.05	6.12
Net operating margin	\$ 3.85	\$ 1.24	\$ 9.80
Refinery operating expenses per throughput barrel ⁽⁷⁾	\$ 6.92	\$ 6.00	\$ 6.07

- (1) Crude charge represents the barrels per day of crude oil processed at our refineries.
- (2) Refinery throughput represents the barrels per day of crude and other refinery feedstocks input to the crude units and other conversion units at our refineries.
- (3) Represents barrels sold of refined products produced at our refineries (including HFC Asphalt) and does not include volumes of refined products purchased for resale or volumes of excess crude oil sold.
- (4) Represents crude charge divided by total crude capacity (BPSD). As a result of our acquisition of the Puget Sound Refinery on November 1, 2021, our consolidated crude capacity increased from 405,000 BPSD to 554,000 BPSD.
- (5) Represents average amount per produced barrel sold, which is a non-GAAP measure. Reconciliations to amounts reported under GAAP are provided under “Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles” following Item 7A of Part II of this Form 10-K.
- (6) Represents total Mid-Continent and West regions operating expenses, exclusive of long-lived asset impairment charges and depreciation and amortization, divided by sales volumes of refined products produced at our refineries.
- (7) Represents total Mid-Continent and West regions operating expenses, exclusive of long-lived asset impairment charges and depreciation and amortization, divided by refinery throughput.

- (8) We acquired the Puget Sound Refinery on November 1, 2021. Refining operating data for the year ended December 31, 2021 includes crude oil and feedstocks processed and refined products sold at our Puget Sound Refinery for the period November 1, 2021 through December 31, 2021 only, averaged over the 365 days in the year ended December 31, 2021.

Lubricants and Specialty Products Segment Operating Data

The following table sets forth information about our lubricants and specialty products operations.

	Years Ended December 31,		
	2021	2020	2019
Lubricants and Specialty Products			
Throughput (BPD)	19,177	19,645	20,251
Sales of produced barrels sold (BPD)	34,016	32,902	34,827

Supplemental financial data attributable to our Lubricants and Specialty Products segment is presented below:

	Rack Back ⁽¹⁾			Rack Forward ⁽²⁾			Eliminations ⁽³⁾			Total Lubricants and Specialty Products
	(In thousands)									
Year Ended December 31, 2021										
Sales and other revenues	\$	1,005,152	\$	2,378,332	\$	(822,872)	\$	2,560,612		
Cost of products sold	\$	646,107	\$	1,992,567	\$	(822,872)	\$	1,815,802		
Operating expenses	\$	120,750	\$	131,706	\$	—	\$	252,456		
Selling, general and administrative expenses	\$	27,071	\$	143,084	\$	—	\$	170,155		
Depreciation and amortization	\$	28,093	\$	51,674	\$	—	\$	79,767		
Income from operations	\$	183,131	\$	59,301	\$	—	\$	242,432		
Year Ended December 31, 2020										
Sales and other revenues	\$	505,424	\$	1,667,809	\$	(370,023)	\$	1,803,210		
Cost of products sold	\$	456,194	\$	1,185,116	\$	(370,023)	\$	1,271,287		
Operating expenses	\$	96,463	\$	119,605	\$	—	\$	216,068		
Selling, general and administrative expenses	\$	22,276	\$	135,540	\$	—	\$	157,816		
Depreciation and amortization	\$	29,071	\$	51,585	\$	—	\$	80,656		
Goodwill and long-lived asset impairments ⁽⁴⁾	\$	167,017	\$	119,558	\$	—	\$	286,575		
Income (loss) from operations	\$	(265,597)	\$	56,405	\$	—	\$	(209,192)		
Year Ended December 31, 2019										
Sales and other revenues	\$	661,523	\$	1,883,920	\$	(452,915)	\$	2,092,528		
Cost of products sold	\$	620,660	\$	1,412,291	\$	(452,915)	\$	1,580,036		
Operating expenses	\$	116,984	\$	114,539	\$	—	\$	231,523		
Selling, general and administrative expenses	\$	31,854	\$	136,741	\$	—	\$	168,595		
Depreciation and amortization	\$	37,001	\$	51,780	\$	—	\$	88,781		
Goodwill impairment ⁽⁵⁾	\$	152,712	\$	—	\$	—	\$	152,712		
Income (loss) from operations	\$	(297,688)	\$	168,569	\$	—	\$	(129,119)		

- (1) Rack back consists of our PCLI base oil production activities, by-product sales to third parties and intra-segment base oil sales to rack forward.
- (2) Rack forward activities include the purchase of base oils from rack back and the blending, packaging, marketing and distribution and sales of finished lubricants and specialty products to third parties.
- (3) Intra-segment sales of rack back produced base oils to rack forward are eliminated under the "Eliminations" column.
- (4) During the year ended December 31, 2020, a goodwill impairment charge of \$81.9 million was recorded in rack forward. Also, during the year ended December 31, 2020, a long-lived asset impairment charge of \$204.7 million was recorded of which \$167.0 million was in rack back and \$37.7 million was in rack forward.
- (5) During the year ended December 31, 2019, a goodwill impairment charge of \$152.7 million was recorded in the PCLI reporting unit within the Lubricants and Specialty Products segment. We separately allocated this charge for purposes of management's discussion and analysis presentation of rack back and rack forward results entirely to rack back.

Results of Operations - Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

Summary

Net income attributable to HollyFrontier stockholders for the year ended December 31, 2021 was \$558.3 million (\$3.39 per basic and diluted share), a \$1,159.8 million increase compared to a net loss of \$601.4 million (\$3.72) per basic and diluted share) for the year ended December 31, 2020. The increase in net income was principally driven by stronger product demand, which resulted in an increase in refinery gross margins and higher refined product sales volumes. Net income also increased due to lower of cost or market inventory reserve adjustments that increased pre-tax earnings by \$310.1 million for the year ended December 31, 2021 and decreased pre-tax earnings by \$78.5 million for the year ended December 31, 2020. In addition, we recorded a gain on tariff settlement of \$51.5 million and a gain of \$86.0 million related to the sale of real property in Mississauga, Ontario for the year ended December 31, 2021. For the year ended December 31, 2020, we recorded long-lived asset and goodwill impairment charges of \$545.3 million offset by an \$81.0 million gain recognized upon the settlement of a business interruption insurance claim and a \$33.8 million gain on sales-type lease. The increase in net income for the year ended December 31, 2021 was partially offset by the impact of winter storm Uri, which increased natural gas costs by approximately \$65 million across our refining system. Refinery gross margins for the year ended December 31, 2021 increased to \$10.89 per produced barrel from \$7.29 for the year ended December 31, 2020.

Sales and Other Revenues

Sales and other revenues increased 64% from \$11,183.6 million for the year ended December 31, 2020 to \$18,389.1 million for the year ended December 31, 2021 due to a year-over-year increase in sales prices and higher refined product sales volumes. Sales and other revenues for the years ended December 31, 2021 and 2020 include \$103.6 million and \$98.0 million, respectively, in HEP revenues attributable to pipeline and transportation services provided to unaffiliated parties, and \$2,550.6 million and \$1,792.7 million, respectively, in unaffiliated revenues related to our Lubricants and Specialty Products segment for the years ended December 31, 2021 and 2020.

Cost of Products Sold

Total cost of products sold increased 65% from \$9,237.3 million for the year ended December 31, 2020 to \$15,256.9 million for the year ended December 31, 2021, principally due to the increase in crude oil and feedstock prices and refined product sales volumes. Additionally, for the year ended December 31, 2021, we recognized a \$310.1 million lower of cost or market inventory valuation benefit compared to a charge of \$78.5 million for the same period of 2020.

Gross Refinery Margins

Gross refinery margin per barrel sold increased 49% from \$7.29 for the year ended December 31, 2020 to \$10.89 for the year ended December 31, 2021 principally due to the increase in the average per barrel sold sales prices, partially offset by the increase in crude oil and feedstock prices. Gross refinery margin per barrel does not include the non-cash effects of lower of cost or market inventory valuation adjustments, long-lived asset impairment charges or depreciation and amortization. See "Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles" following Item 7A of Part II of this Form 10-K for a reconciliation to the income statement of sale prices of products sold and cost of products purchased.

Operating Expenses

Operating expenses, exclusive of depreciation and amortization, increased 17% from \$1,300.3 million for the year ended December 31, 2020 to \$1,517.5 million for the year ended December 31, 2021 primarily due to our acquisition of the Puget Sound Refinery on November 1, 2021, the increase in natural gas prices from winter storm Uri during the first quarter of 2021 and higher planned and unplanned repair and maintenance costs.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased 15% from \$313.6 million for the year ended December 31, 2020 to \$362.0 million for the year ended December 31, 2021 primarily due to higher employee-related expenses and professional services and legal costs incurred in connection with the recently announced acquisitions. Total acquisition integration costs for the year ended December 31, 2021 were \$20.8 million. See Note 2 "Acquisitions" in the Notes to Consolidated Financial Statements for additional information on these acquisitions.

Depreciation and Amortization Expenses

Depreciation and amortization decreased 3% from \$520.9 million for the year ended December 31, 2020 to \$503.5 million for the year ended December 31, 2021. This decrease was principally due to lower capitalized refinery turnaround costs during 2020 and lower depreciation expense resulting from the assets impaired in the second quarter of 2020.

Goodwill and Long-lived Asset Impairments

During the year ended December 31, 2020, we recorded long-lived asset impairment charges of \$232.2 million that related to our Cheyenne Refinery, \$26.5 million for construction-in-progress consisting primarily of engineering work for potential upgrades to certain processing units at our Tulsa and El Dorado Refineries and \$204.7 million related to PCLI. Also, during the year ended December 31, 2020, we recorded a goodwill impairment charge of \$81.9 million that related to Sonneborn. See Note 11 “Goodwill, Long-lived Assets and Intangibles” in the Notes to Consolidated Financial Statements for additional information on these impairments.

Interest Expense

Interest expense was \$125.2 million for the year ended December 31, 2021 compared to \$126.5 million for the year ended December 31, 2020. This decrease was primarily due to higher capitalized interest, lower weighted average balance on HEP’s credit facility and net gains related to our catalyst financing arrangement during the year ended December 31, 2021 as compared to net losses during 2020, partially offset by interest expense on our senior notes issued in September 2020.

For the years ended December 31, 2021 and 2020, interest expense attributable to our HEP Segment was \$53.8 million and \$52.9 million, respectively.

Gain on Business Interruption Insurance Settlement

During the year ended December 31, 2020, we recorded a gain of \$81.0 million upon the settlement of our business interruption claim with our insurance carrier related to a loss at our Woods Cross Refinery that occurred in the first quarter of 2018.

Gain on Tariff Settlement

For the year ended December 31, 2021, we recorded a gain of \$51.5 million upon the settlement of a tariff rate case. See Note 19 “Contingencies” in the Notes to Consolidated Financial Statements for additional information on this case and settlement.

Gain on Sales-type Leases

During the second quarter of 2020, HEP and Delek US Holdings, Inc. renewed the original throughput agreement on specific HEP assets. Portions of the new throughput agreement met the definition of sales-type leases, which resulted in an accounting gain of \$33.8 million upon the initial recognition of the sales-type lease during the year ended December 31, 2020.

Loss on Early Extinguishment of Debt

For the year ended December 31, 2020, HEP recorded a \$25.9 million loss on the redemption of its \$500 million aggregate principal amount of 6.0% senior notes maturing August 2024 at a redemption cost of \$522.5 million.

Gain (Loss) on Foreign Currency Transactions

Remeasurement adjustments resulting from the foreign currency conversion of the intercompany financing notes payable by PCLI net of mark-to-market valuations on foreign exchange forward contracts with banks which hedge the foreign currency exposure on these intercompany notes were a loss of \$2.9 million and a gain of \$2.2 million for the years ended December 31, 2021 and 2020, respectively. For the years ended December 31, 2021 and 2020, gain on foreign currency transactions included losses of \$4.0 million and \$7.3 million, respectively, on foreign exchange forward contracts (utilized as an economic hedge).

Gain on Sale of Assets and Other

For the year ended December 31, 2021, we recorded an \$86.0 million gain related to the sale of real property in Mississauga, Ontario, and HEP recorded a \$5.3 million gain related to the sale of certain pipeline assets. See Note 1 “Description of Business and Presentation of Financial Statements” in the Notes to Consolidated Financial Statements for additional information.

Income Taxes

For the year ended December 31, 2021, we recorded an income tax expense of \$123.9 million compared to a benefit of \$232.1 million for the year ended December 31, 2020. This change to income tax expense in 2021 from income tax benefit in 2020 was principally due to pre-tax income during the year ended December 31, 2021 compared to a pre-tax loss for the year ended December 31, 2020. Our effective tax rates were 15.7% and 31.1% for the years ended December 31, 2021 and 2020, respectively. The year-over-year decrease in the effective tax rate is principally due to the relationship between the pre-tax results and the earnings attributable to the noncontrolling interest that is not included in income for tax purposes. The difference in the U.S. federal statutory rate and the effective tax rate for the year ended December 31, 2021 was primarily due to the net operating loss carryback provisions of the CARES Act and federal tax credits.

LIQUIDITY AND CAPITAL RESOURCES

HollyFrontier Credit Agreement

On April 30, 2021, we amended our \$1.35 billion senior unsecured revolving credit facility to extend the maturity date to April 30, 2026 (the “HollyFrontier Credit Agreement”). On December 27, 2021, the HollyFrontier Credit Agreement was further amended to provide an alternative reference rate for loans denominated in Euros and Sterling and to further supplement the reference rate replacement procedures for loans denominated in U.S. dollars following the anticipated cessation of LIBOR. The HollyFrontier Credit Agreement may be used for revolving credit loans and letters of credit from time to time and is available to fund general corporate purposes. At December 31, 2021, we were in compliance with all covenants, had no outstanding borrowings and had outstanding letters of credit totaling \$2.3 million under the HollyFrontier Credit Agreement.

HollyFrontier Financing Arrangements

Certain of our wholly-owned subsidiaries entered into financing arrangements whereby such subsidiaries sold a portion of their precious metals catalyst to a financial institution and then leased back the precious metals catalyst in exchange for cash. The volume of the precious metals catalyst and the lease rate are fixed over the term of each lease, and the lease payments are recorded as interest expense. The current leases mature in one year or less. Upon maturity, we must either satisfy the obligation at fair market value or refinance to extend the maturity.

HEP Credit Agreement

On April 30, 2021, HEP amended its \$1.4 billion senior secured revolving credit facility decreasing the commitments under the facility to \$1.2 billion and extending the maturity to July 27, 2025 (the “HEP Credit Agreement”). The HEP Credit Agreement is available to fund capital expenditures, investments, acquisitions, distribution payments, working capital and for general partnership purposes. It is also available to fund letters of credit up to a \$50 million sub-limit and continues to provide for an accordion feature that allows HEP to increase the commitments under the HEP Credit Agreement up to a maximum amount of \$1.7 billion. During the year ended December 31, 2021, HEP had net repayments of \$73.5 million under the HEP Credit Agreement. At December 31, 2021, HEP was in compliance with all of its covenants, had outstanding borrowings of \$840.0 million and no outstanding letters of credit under the HEP Credit Agreement.

See Note 13 “Debt” in the Notes to Consolidated Financial Statements for additional information on our debt instruments.

Liquidity

We believe our current cash and cash equivalents, along with future internally generated cash flow and funds available under our credit facilities, will provide sufficient resources to fund currently planned capital projects and our liquidity needs for the foreseeable future. We expect that, to the extent necessary, we can raise additional funds from time to time through equity or debt financings in the public and private capital markets. In addition, components of our long-term growth strategy include the optimization of existing units at our facilities and selective acquisition of complementary assets for our refining operations intended to increase earnings and cash flow. In connection with the acquisition of the Puget Sound Refinery, our Board of Directors approved a one-year suspension of the regular quarterly dividend effective with the dividend declared for the first quarter of 2021 and is expected to resume the dividend after such time.

Our standalone (excluding HEP) liquidity was approximately \$1.57 billion at December 31, 2021, consisting of cash and cash equivalents of \$220.1 million and an undrawn \$1.35 billion credit facility.

We consider all highly-liquid instruments with a maturity of three months or less at the time of purchase to be cash equivalents. These primarily consist of investments in conservative, highly-rated instruments issued by financial institutions, government and corporate entities with strong credit standings and money market funds. Cash equivalents are stated at cost, which approximates market value.

In November 2019, our Board of Directors approved a \$1.0 billion share repurchase program, which replaced all existing share repurchase programs, authorizing us to repurchase common stock in the open market or through privately negotiated transactions. The timing and amount of stock repurchases will depend on market conditions and corporate, regulatory and other relevant considerations. This program may be discontinued at any time by our Board of Directors. As of December 31, 2021, we had not repurchased common stock under this stock repurchase program, and we do not intend to repurchase common stock under this program until completion of our ongoing renewables capital projects and completion of the Sinclair Transactions. In addition, we are authorized by our Board of Directors to repurchase shares in an amount sufficient to offset shares issued under our compensation programs.

Cash Flows – Operating Activities

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

Net cash flows provided by operating activities were \$406.7 million for the year ended December 31, 2021 compared to \$457.9 million for the year ended December 31, 2020, a decrease of \$51.2 million. The decrease in operating cash flows was primarily due to higher working capital and higher turnaround expenditures, partially offset by the increase in gross refinery margins and \$51.5 million received upon settlement of a tariff rate case.

Changes in working capital decreased operating cash flows by \$264.9 million for the year ended December 31, 2021 primarily due to higher inventory driven by heavy planned and unplanned maintenance and weather-related downtime in the fourth quarter of 2021.

Cash Flows – Investing Activities and Planned Capital Expenditures

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

Net cash flows used for investing activities were \$1,327.2 million for the year ended December 31, 2021 compared to \$330.2 million for the year ended December 31, 2020, an increase of \$997.1 million. On November 1, 2021, we closed the acquisition of the Puget Sound Refinery for aggregate cash consideration of \$624.3 million. Cash expenditures for properties, plants and equipment for 2021 increased to \$813.4 million from \$330.2 million for the same period in 2020, primarily due to expenditures related to our renewable diesel units. Cash expenditures for properties, plants and equipment include HEP capital expenditures of \$88.3 million and \$59.3 million for the years ended December 31, 2021 and 2020, respectively. During the twelve months ended December 31, 2021, we received proceeds of \$98.8 million, or CAD 125 million for the sale of real property in Mississauga, Ontario.

HollyFrontier Corporation

Each year our Board of Directors approves our annual capital budget which includes specific projects that management is authorized to undertake. Additionally, when conditions warrant or as new opportunities arise, additional projects may be approved. The funds appropriated for a particular capital project may be expended over a period of several years, depending on the time required to complete the project. Therefore, our planned capital expenditures for a given year consist of expenditures appropriated in that year's capital budget plus expenditures for projects appropriated in prior years which have not yet been completed. Refinery turnaround spending is amortized over the useful life of the turnaround.

The refining industry is capital intensive and requires on-going investments to sustain our refining operations. This includes replacement of, or rebuilding, refinery units and components that extend the useful life. We also invest in projects that improve operational reliability and profitability via enhancements that improve refinery processing capabilities as well as production yield and flexibility. Our capital expenditures also include projects related to renewable diesel, environmental, health and safety compliance and include initiatives as a result of federal and state mandates.

Our refinery operations and related emissions are highly regulated at both federal and state levels, and we invest in our facilities as needed to remain in compliance with these standards. Additionally, when faced with new emissions or fuels standards, we seek to execute projects that facilitate compliance and also improve the operating costs and / or yields of associated refining processes.

HEP

Each year the Holly Logistic Services, L.L.C. board of directors approves HEP's annual capital budget, which specifies capital projects that HEP management is authorized to undertake. Additionally, at times when conditions warrant or as new opportunities arise, special projects may be approved. The funds allocated for a particular capital project may be expended over a period in excess of a year, depending on the time required to complete the project. Therefore, HEP's planned capital expenditures for a given year consist of expenditures approved for capital projects included in its current year capital budget as well as, in certain cases, expenditures approved for capital projects in capital budgets for prior years. In addition, HEP may spend funds periodically to perform capital upgrades or additions to its assets where a customer reimburses HEP for such costs. The upgrades or additions would generally benefit the customer over the remaining life of the related service agreements.

Expected capital and turnaround cash spending for 2022 is as follows:

	Expected Cash Spending Range	
	(In millions)	
HollyFrontier Capital Expenditures		
Refining	\$ 250.0	\$ 270.0
Renewables	225.0	300.0
Lubricants and Specialty Products	45.0	60.0
Turnarounds and catalyst	70.0	100.0
Total HollyFrontier	590.0	730.0
HEP		
Maintenance	15.0	20.0
Expansion and joint venture investment	5.0	10.0
Refining unit turnarounds	35.0	50.0
Total HEP	55.0	80.0
Total	\$ 645.0	\$ 810.0

Cash Flows – Financing Activities

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

For the year ended December 31, 2021, our net cash flows used for financing activities were \$211.8 million. During the year ended December 31, 2021, we paid \$57.7 million in dividends, purchased \$7.1 million of treasury stock and paid \$7.9 million of financing costs in connection with the amendment of the HollyFrontier Credit Agreement in April 2021. During the year ended December 31, 2021, HEP had net repayments of \$73.5 million under the HEP Credit Agreement and paid \$6.6 million of financing costs in connection with the amendment of the HEP Credit Agreement in April 2021. In addition, HEP paid distributions of \$75.4 million to noncontrolling interests and received contributions from noncontrolling interests of \$23.2 million.

For the year ended December 31, 2020, our net cash flows provided by financing activities were \$353.2 million. During the year ended December 31, 2020, we received \$742.1 million in net proceeds from the issuance of HFC's 2.625% and 4.500% senior notes, purchased \$7.6 million of treasury stock and paid \$229.5 million in dividends. Also during 2020, HEP had net repayments of \$52.0 million under the HEP Credit Agreement, paid \$522.5 million upon the redemption of HEP's 6.0% senior notes and received \$491.3 million in net proceeds from the issuance of HEP 5.0% senior notes, paid distributions of \$89.0 million to noncontrolling interests and received contributions of \$23.9 million from noncontrolling interests.

Contractual Obligations and Commitments

The following table presents our long-term contractual obligations as of December 31, 2021 in total and by period due beginning in 2022. The table below does not include our contractual obligations to HEP under our long-term transportation agreements as these related-party transactions are eliminated in the Consolidated Financial Statements. A description of these agreements is provided under “Holly Energy Partners, L.P.” under Items 1 and 2, “Business and Properties.”

Contractual Obligations and Commitments	Total	Payments Due by Period			
		2022	2023 & 2024	2025 & 2026	Thereafter
(In thousands)					
HollyFrontier Corporation					
Long-term debt - principal ⁽¹⁾	\$ 1,750,000	\$ —	\$ 350,000	\$ 1,000,000	\$ 400,000
Long-term debt - interest ⁽²⁾	423,267	85,938	160,391	109,438	67,500
Financing arrangements ⁽³⁾	37,367	37,367	—	—	—
Supply agreements ⁽⁴⁾	2,466,944	902,423	1,173,045	391,476	—
Transportation and storage agreements ⁽⁵⁾	1,627,800	166,456	328,025	293,544	839,775
Operating and finance leases ⁽⁶⁾	476,950	127,978	188,105	52,286	108,581
Other long-term obligations	17,712	11,907	5,013	792	—
	<u>6,800,040</u>	<u>1,332,069</u>	<u>2,204,579</u>	<u>1,847,536</u>	<u>1,415,856</u>
Holly Energy Partners					
Long-term debt - principal ⁽⁷⁾	1,340,000	—	—	840,000	500,000
Long-term debt - interest ⁽⁸⁾	222,456	44,700	89,400	61,273	27,083
Operating and finance leases ⁽⁶⁾	105,019	8,025	15,403	13,627	67,964
Other agreements	13,276	2,746	5,246	1,271	4,013
	<u>1,680,751</u>	<u>55,471</u>	<u>110,049</u>	<u>916,171</u>	<u>599,060</u>
Total	<u>\$ 8,480,791</u>	<u>\$ 1,387,540</u>	<u>\$ 2,314,628</u>	<u>\$ 2,763,707</u>	<u>\$ 2,014,916</u>

- (1) Our long-term debt consists of the \$350.0 million principal balance on our 2.625% senior notes, \$1.0 billion principal balance on our 5.875% senior notes and \$400.0 million principal balance on our 4.500% senior notes.
- (2) Interest payments consist of interest on our 2.625% senior notes, 5.875% senior notes and 4.500% senior notes.
- (3) We have a financing arrangement related to the sale and subsequent lease-back of certain of our precious metals.
- (4) We have long-term supply agreements to secure certain quantities of crude oil, feedstock and other resources used in the production process at market prices. We have estimated future payments under these fixed-quantity agreements expiring between 2022 and 2025 using current market rates.
- (5) Consists of contractual obligations under agreements with third parties for the transportation of crude oil, natural gas and feedstocks to our refineries and for terminal and storage services under contracts expiring between 2022 and 2039.
- (6) Operating and finance lease obligations include options to extend terms that are reasonably certain of being exercised.
- (7) HEP's long-term debt consists of the \$500.0 million principal balance on the 5.0% HEP senior notes and \$840.0 million of outstanding borrowings under the HEP Credit Agreement. The HEP Credit Agreement expires in 2025.
- (8) Interest payments consist of interest on the 5.0% HEP senior notes and interest on long-term debt under the HEP Credit Agreement. Interest on the HEP Credit Agreement debt is based on the weighted average rate of 2.35% at December 31, 2021.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities as of the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions. We consider the following policies to be the most critical to understanding the judgments that are involved and the uncertainties that could impact our results of operations, financial condition and cash flows. For additional information, see Note 1 “Description of Business and Summary of Significant Accounting Policies” in the Notes to Consolidated Financial Statements.

Inventory Valuation

Inventories related to our refining operations are stated at the lower of cost, using the LIFO method for crude oil and unfinished and finished refined products, or market. Inventories related to our renewable business are stated at the lower of cost, using the LIFO method for feedstock and unfinished and finished renewable products, or market. In periods of rapidly declining prices, LIFO inventories may have to be written down to market value due to the higher costs assigned to LIFO layers in prior periods. In addition, the use of the LIFO inventory method may result in increases or decreases to cost of sales in years that inventory volumes decline as the result of charging cost of sales with LIFO inventory costs generated in prior periods.

At December 31, 2021, the replacement cost of our refinery inventories exceeded the LIFO carrying value. The excess of replacement cost over the LIFO carrying value of inventory was \$111.1 million at December 31, 2021. Future decreases in overall inventory values could result in an establishment of a lower of cost or market inventory valuation reserve and additional charges to cost of products sold. At December 31, 2020, market values of inventories related to our refining operations had fallen below historical LIFO inventory costs and, as a result, we recorded lower of cost or market inventory valuation reserves of \$318.9 million.

In the fourth quarter of 2021, we built renewable feedstock inventory in connection with our Cheyenne renewable diesel unit and as of December 31, 2021, the market value was below the LIFO carrying value. As a result, we recorded a lower of cost or market inventory valuation reserve of \$8.7 million.

Inventories consisting of process chemicals, materials and maintenance supplies and RINs are stated at the lower of weighted-average cost or net realizable value. Inventories of our Petro-Canada Lubricants and Sonneborn businesses are stated at the lower of cost, using the FIFO method, or net realizable value.

Goodwill and Long-lived Assets

As of December 31, 2021, our goodwill balance was \$2.3 billion, with goodwill assigned to our Refining, Lubricants and Specialty Products and HEP segments of \$1,733.5 million, \$246.7 million and \$312.9 million, respectively. Goodwill represents the excess of the cost of an acquired entity over the fair value of the assets acquired and liabilities assumed. Goodwill is not subject to amortization and is tested annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Our goodwill impairment testing first entails either a quantitative assessment or an optional qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If we determine that based on the qualitative factors that it is more likely than not that the carrying value of the reporting unit is greater than its fair value, a quantitative test is performed in which we estimate the fair value of the related reporting unit. If the carrying amount of a reporting unit exceeds its fair value, the goodwill of that reporting unit is impaired, and we measure goodwill impairment as the excess of the carrying amount of reporting unit over the related fair value.

For purposes of long-lived asset impairment evaluation, we group our long-lived assets as follows: (i) our refinery asset groups, which include certain HEP logistics assets, (ii) our Lubricants and Specialty Products asset groups and (iii) our HEP asset groups, which comprises HEP assets not included in our refinery asset groups. These asset groups represent the lowest level for which independent cash flows can be identified. Our long-lived assets are evaluated for impairment by identifying whether indicators of impairment exist and if so, assessing whether the long-lived assets are recoverable from estimated future undiscounted cash flows. The actual amount of impairment loss measured, if any, is equal to the amount by which the asset group’s carrying value exceeds its fair value.

We performed our annual goodwill impairment testing quantitatively as of July 1, 2021 and determined there was no impairment of goodwill attributable to our reporting units. The estimated fair values of our reporting units were derived using a combination of income and market approaches. The income approach reflects expected future cash flows based on estimated forecasted production levels, selling prices, gross margins, operating costs and capital expenditures. Our market approaches include both the guideline public company and guideline transaction methods. Both methods utilize pricing multiples derived from historical market transactions of other like kind assets. The excess of the fair values of the reporting units over their respective carrying values ranged from 12% to 162%. Increasing the discount rate by 1.0% or reducing the terminal cash flow growth rate by 1.0% would not have changed the results of our annual goodwill testing.

In performing our impairment test of goodwill, we developed cash flow forecasts for each of our reporting units. Significant judgment is involved in performing these fair value estimates since the results are based on forecasted financial information. The cash flow forecasts include significant assumptions such as planned utilization, end-user demand, selling prices, gross margins, operating costs and capital expenditures. Another key assumption applied to these forecasts to determine the fair value of a reporting unit is the discount rate. The discount rate is intended to reflect the weighted average cost of capital for a market participant and the risks associated with the realization of the estimated future cash flows. Our fair value estimates are based on projected cash flows, which we believe to be reasonable.

We continually monitor and evaluate various factors for potential indicators of goodwill and long-lived asset impairment. A reasonable expectation exists that further deterioration in our operating results or overall economic conditions could result in an impairment of goodwill and / or additional long-lived asset impairments at some point in the future. Future impairment charges could be material to our results of operations and financial condition.

Valuation of Business Combinations

We recognize and measure the assets acquired and liabilities assumed in a business combination based on their estimated fair values at the acquisition date. Any excess or surplus of the purchase consideration when compared to the fair value of the net tangible assets acquired, if any, is recorded as goodwill or gain from a bargain purchase. The fair value of assets and liabilities as of the acquisition date are often estimated using a combination of approaches, including the income approach, which requires us to project future cash flows and apply an appropriate discount rate; the cost approach, which requires estimates of replacement costs and depreciation and obsolescence estimates; and the market approach which uses market data and adjusts for entity-specific differences. We use all available information to make these fair value determinations and engage third-party consultants for valuation assistance. The estimates used in determining fair values are based on assumptions believed to be reasonable but which are inherently uncertain. Accordingly, actual results may differ materially from the projected results used to determine fair value.

Contingencies

We are subject to proceedings, lawsuits and other claims related to environmental, labor, product and other matters. We are required to assess the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable losses. A determination of the amount of reserves required, if any, for these contingencies is made after careful analysis of each individual issue. The required reserves may change in the future due to new developments in each matter or changes in approach such as a change in settlement strategy in dealing with these matters.

RISK MANAGEMENT

We use certain strategies to reduce some commodity price and operational risks. We do not attempt to eliminate all market risk exposures when we believe that the exposure relating to such risk would not be significant to our future earnings, financial position, capital resources or liquidity or that the cost of eliminating the exposure would outweigh the benefit.

Commodity Price Risk Management

Our primary market risk is commodity price risk. We are exposed to market risks related to the volatility in crude oil and refined products, as well as volatility in the price of natural gas used in our refining operations. We periodically enter into derivative contracts in the form of commodity price swaps, forward purchase and sales and futures contracts to mitigate price exposure with respect to our inventory positions, natural gas purchases, sales prices of refined products and crude oil costs.

Foreign Currency Risk Management

We are exposed to market risk related to the volatility in foreign currency exchange rates. We periodically enter into derivative contracts in the form of foreign exchange forward contracts to mitigate the exposure associated with fluctuations on intercompany notes with our foreign subsidiaries that are not denominated in the U.S. dollar.

As of December 31, 2021, we have the following notional contract volumes related to all outstanding derivative contracts used to mitigate commodity price and foreign currency risk (all maturing in 2022):

Contract Description	Total Outstanding Notional	Unit of Measure
NYMEX futures (WTI) - short	495,000	Barrels
Forward gasoline contracts - long	40,000	Barrels
Forward crude oil contracts - short	70,000	Barrels
Foreign currency forward contracts	450,686,305	U.S. dollar
Forward commodity contracts (platinum) ⁽¹⁾	38,723	Troy ounces

(1) Represents an embedded derivative within our catalyst financing arrangements, which may be refinanced or require repayment under certain conditions. See Note 13 “Debt” in the Notes to Consolidated Financial Statements for additional information on these financing arrangements.

The following sensitivity analysis provides the hypothetical effects of market price fluctuations to the commodity hedged under our derivative contracts:

Derivative Contracts	Estimated Change in Fair Value at December 31,	
	2021	2020
	(In thousands)	
Hypothetical 10% change in underlying commodity prices	\$ 3,705	\$ 344

Interest Rate Risk Management

The market risk inherent in our fixed-rate debt is the potential change arising from increases or decreases in interest rates as discussed below.

For the fixed rate HollyFrontier Senior Notes and HEP Senior Notes, changes in interest rates will generally affect fair value of the debt, but not earnings or cash flows. The outstanding principal, estimated fair value and estimated change in fair value (assuming a hypothetical 10% change in the yield-to-maturity rates) for this debt as of December 31, 2021 is presented below:

	Outstanding Principal	Estimated Fair Value		Estimated Change in Fair Value
		(In thousands)		
HollyFrontier Senior Notes	\$ 1,750,000	\$ 1,912,753	\$	23,495
HEP Senior Notes	\$ 500,000	\$ 502,705	\$	12,948

For the variable rate HEP Credit Agreement, changes in interest rates would affect cash flows, but not the fair value. At December 31, 2021, outstanding borrowings under the HEP Credit Agreement were \$840.0 million. A hypothetical 10% change in interest rates applicable to the HEP Credit Agreement would not materially affect cash flows.

Our operations are subject to hazards of petroleum processing operations, including but not limited to fire, explosion, cyberattacks and weather-related perils. We maintain various insurance coverages, including property damage, business interruption and cyber insurance, subject to certain deductibles and insurance policy terms and conditions. We are not fully insured against certain risks because such risks are not fully insurable, coverage is unavailable, or premium costs, in our judgment, do not justify such expenditures.

Financial information is reviewed on the counterparties in order to review and monitor their financial stability and assess their ongoing ability to honor their commitments under the derivative contracts. We have not experienced, nor do we expect to experience, any difficulty in the counterparties honoring their commitments.

We have a risk management oversight committee consisting of members from our senior management. This committee oversees our risk enterprise program, monitors our risk environment and provides direction for activities to mitigate identified risks that may adversely affect the achievement of our goals.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

See “Risk Management” under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Reconciliations to Amounts Reported Under Generally Accepted Accounting Principles

Reconciliations of earnings before interest, taxes, depreciation and amortization (“EBITDA”) to amounts reported under generally accepted accounting principles in financial statements.

Earnings before interest, taxes, depreciation and amortization, which we refer to as EBITDA, is calculated as net income (loss) attributable to HollyFrontier stockholders plus (i) interest expense, net of interest income, (ii) income tax provision, and (iii) depreciation and amortization. EBITDA is not a calculation provided for under GAAP; however, the amounts included in the EBITDA calculation are derived from amounts included on our consolidated financial statements. EBITDA should not be considered as an alternative to net income or operating income as an indication of our operating performance or as an alternative to operating cash flow as a measure of liquidity. EBITDA is not necessarily comparable to similarly titled measures of other companies. EBITDA is presented here because it is a widely used financial indicator used by investors and analysts to measure performance. EBITDA is also used by our management for internal analysis and as a basis for financial covenants.

Set forth below is our calculation of EBITDA.

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Net income (loss) attributable to HollyFrontier stockholders	\$ 558,324	\$ (601,448)	\$ 772,388
Add (subtract) income tax provision	123,898	(232,147)	299,152
Add interest expense	125,175	126,527	143,321
Subtract interest income	(4,019)	(7,633)	(22,139)
Add depreciation and amortization	503,539	520,912	509,925
EBITDA	<u>\$ 1,306,917</u>	<u>\$ (193,789)</u>	<u>\$ 1,702,647</u>

Reconciliations of refinery operating information (non-GAAP performance measures) to amounts reported under generally accepted accounting principles in financial statements.

Refinery gross margin and net operating margin are non-GAAP performance measures that are used by our management and others to compare our refining performance to that of other companies in our industry. We believe these margin measures are helpful to investors in evaluating our refining performance on a relative and absolute basis. Refinery gross margin per produced barrel sold is total refining segment revenues less total refining segment cost of products sold, exclusive of lower of cost or market inventory valuation adjustments, divided by sales volumes of produced refined products sold. Net operating margin per barrel sold is the difference between refinery gross margin and refinery operating expenses per produced barrel sold. These two margins do not include the non-cash effects of long-lived asset impairment charges, lower of cost or market inventory valuation adjustments or depreciation and amortization. Each of these component performance measures can be reconciled directly to our consolidated statements of operations. Other companies in our industry may not calculate these performance measures in the same manner.

Below are reconciliations to our consolidated statements of operations for refinery net operating and gross margin and operating expenses, in each case averaged per produced barrel sold. Due to rounding of reported numbers, some amounts may not calculate exactly.

Reconciliation of average refining segment net operating margin per produced barrel sold to refinery gross margin to total sales and other revenues

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in thousands, except per barrel amounts)		
Consolidated			
Net operating margin per produced barrel sold	\$ 3.85	\$ 1.24	\$ 9.80
Add average refinery operating expenses per produced barrel sold	7.04	6.05	6.12
Refinery gross margin per produced barrel sold	\$ 10.89	\$ 7.29	\$ 15.92
Times produced barrels sold (BPD)	424,100	391,670	414,370
Times number of days in period	365	366	365
Refining gross margin	\$ 1,685,734	\$ 1,045,030	\$ 2,407,821
Add (subtract) rounding	(238)	523	215
West and Mid-Continent regions gross margin	1,685,496	1,045,553	2,408,036
Add West and Mid-Continent regions cost of products sold	14,673,062	7,992,047	12,062,661
Add Cheyenne Refinery sales and other revenues	—	501,589	1,126,091
Refining segment sales and other revenues	16,358,558	9,539,189	15,596,788
Add lubricants and specialty products segment sales and other revenues	2,560,612	1,803,210	2,092,528
Add HEP segment sales and other revenues	494,495	497,848	532,777
Subtract corporate, other and eliminations	(1,024,523)	(656,604)	(735,515)
Sales and other revenues	\$ 18,389,142	\$ 11,183,643	\$ 17,486,578

Reconciliation of average refining segment operating expenses per produced barrel sold to total operating expenses

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in thousands, except per barrel amounts)		
Consolidated			
Average refinery operating expenses per produced barrel sold	\$ 7.04	\$ 6.05	\$ 6.12
Times produced barrels sold (BPD)	424,100	391,670	414,370
Times number of days in period	365	366	365
Refinery operating expenses	\$ 1,089,767	\$ 867,275	\$ 925,620
Add (subtract) rounding	657	(381)	(338)
West and Mid-Continent regions operating expenses	1,090,424	866,894	925,282
Add Cheyenne Refinery operating expenses	—	121,151	170,206
Total refining segment operating expenses	1,090,424	988,045	1,095,488
Add lubricants and specialty products segment operating expenses	252,456	216,068	231,523
Add HEP segment operating expenses	170,524	147,692	161,996
Subtract corporate, other and eliminations	4,074	(51,528)	(94,955)
Operating expenses (exclusive of depreciation and amortization)	\$ 1,517,478	\$ 1,300,277	\$ 1,394,052

Item 8. Financial Statements and Supplementary Data

MANAGEMENT'S REPORT ON ITS ASSESSMENT OF THE COMPANY'S INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of HollyFrontier Corporation (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the Company's internal control over financial reporting as of December 31, 2021 using the criteria for effective control over financial reporting established in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, management concludes that, as of December 31, 2021, the Company maintained effective internal control over financial reporting. Management's assessment of, and conclusion on, the effectiveness of internal control over financial reporting did not include the internal controls of the entity acquired in the Puget Sound Acquisition on November 1, 2021. Puget Sound Refinery's total assets represented approximately 4% of the Company's combined consolidated total assets at the acquisition date, and Puget Sound Refinery's revenues following the November 1, 2021 acquisition date represented approximately 3% of the Company's consolidated total operating revenues for the year ended December 31, 2021.

The Company's independent registered public accounting firm has issued an attestation report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. That report is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of HollyFrontier Corporation

Opinion on Internal Control over Financial Reporting

We have audited HollyFrontier Corporation's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, HollyFrontier Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

As indicated in the accompanying Management's Report on its Assessment of the Company's Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the Puget Sound Refinery, which is included in the 2021 consolidated financial statements of the Company and constituted 4% of total assets as of the acquisition date and 3% of revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of the Puget Sound Refinery.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, cash flows, and equity for each of the three years in the period ended December 31, 2021, and the related notes of the Company and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on its Assessment of the Company's Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Dallas, Texas
February 23, 2022

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of HollyFrontier Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of HollyFrontier Corporation (the Company) as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, cash flows, and equity for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Goodwill

Description of the Matter

At December 31, 2021, the Company's goodwill was \$2,293 million, including goodwill assigned to the Refining, Lubricants and Specialty Products, and HEP segments of \$1,733 million, \$247 million, and \$313 million, respectively. As described in Note 1 and Note 11 of the consolidated financial statements, goodwill is tested for impairment at least annually on July 1 at the reporting unit level or more frequently if events or changes in circumstances indicate the asset might be impaired.

Auditing management's goodwill impairment testing was complex and highly judgmental for the Company's El Dorado Refinery reporting unit due to the significant estimation required to determine the fair value of this reporting unit. In particular, the fair value estimates were sensitive to significant assumptions, such as long-term growth rates, gross margins, and discount rates, which are affected by expectations about future market or economic conditions. These assumptions have a significant effect on the fair value estimates.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment testing process. For example, we tested controls over management's review of the significant inputs and assumptions used in determining the reporting unit fair value.

To test the estimated fair value of the Company's El Dorado Refinery reporting unit, we performed audit procedures with the support of a valuation specialist that included, among others, assessing methodologies and testing the significant assumptions discussed above and the underlying data used by the Company in its analysis. We compared the significant assumptions used by management to relevant industry and economic trends, published forward prices, historical operating results and other relevant factors. We performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting unit that would result from changes in the assumptions. We also tested management's reconciliation of the fair value of the reporting unit to the market capitalization of the Company.

Environmental Liabilities

Description of the Matter

At December 31, 2021, the Company's accrual for environmental liabilities was \$117 million, of which \$99 million was classified as other long-term liabilities. As described in Note 1 and Note 12 of the consolidated financial statements, these accruals include remediation and monitoring costs expected to be incurred over an extended period of time. Liabilities are recorded when site restoration and environmental remediation, cleanup and other obligations are either known or considered probable and can be reasonably estimated.

Auditing management's estimates for environmental liabilities was challenging and highly judgmental due to the significant judgment required to develop assumptions related to future costs expected for the remediation of environmental obligations. In particular, the liability estimates require judgment with respect to costs, time frame and extent of required remedial and clean-up activities.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accrued environmental liability cost estimate and review process.

To test management's accrued environmental liabilities, we performed audit procedures that included, among others, obtaining a rollforward of the environmental liabilities reflecting activity in the accruals for the past year, performing a look back analysis comparing the prior year short-term accrual estimates to actual current year expenditures, and comparing actual expenditures made to supporting invoices and cash payments. We also utilized an environmental specialist to assist in our evaluation of certain environmental site accruals, including the testing of a sample of cost estimates by inspecting relevant supporting documentation and performing a search of publicly filed records with environmental agencies to test the completeness of environmental liabilities.

Valuation of Personal Property Assets in the Puget Sound Refinery Acquisition

Description of the Matter

During 2021, the Company completed its acquisition of the Puget Sound Refinery for aggregate cash consideration of \$624.3 million, as disclosed in Note 2 to the consolidated financial statements. The transaction was accounted for as a business combination. Of the total assets acquired and liabilities assumed, the Company acquired \$394.2 million of properties, plant, and equipment which was made up of real property, personal property and right of use assets.

Auditing management's accounting for the acquisition of the Puget Sound Refinery was complex and highly judgmental due to the significant estimation required to determine the fair value of certain properties, plant and equipment. In particular, the fair value estimates for the Puget Sound Refinery personal property were sensitive to significant assumptions around economic and functional obsolescence factors. These assumptions have a significant effect on the fair value estimates.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over the valuation of the personal property assets related to the acquisition. For example, we tested controls over management's review of the valuation models and the underlying assumptions used to develop estimated values of these assets.

To test the estimated fair value of the personal property, our audit procedures included, among others, evaluating the Company's selection of the valuation methodology, evaluating the significant assumptions used by the Company and evaluating the completeness and accuracy of the underlying data supporting the significant assumptions and estimates. We involved valuation specialists to assist with our evaluation of the methodologies used by the Company and significant assumptions included in the fair value estimates. Specifically, our valuation specialists assisted by comparing those assumptions to current industry and market data and developing an expected range of values based on significant inputs and assumptions to assess reasonableness of the Company's estimates.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1977.
Dallas, Texas
February 23, 2022

HOLLYFRONTIER CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents <i>(HEP: \$14,381 and \$21,990, respectively)</i>	\$ 234,444	\$ 1,368,318
Accounts receivable: Product and transportation <i>(HEP: \$12,745 and \$14,543, respectively)</i>	1,130,485	590,526
Crude oil resales	111,403	39,510
	1,241,888	630,036
Inventories: Crude oil and refined products	1,879,131	989,296
Materials, supplies and other <i>(HEP: \$1,070 and \$895, respectively)</i>	242,997	184,180
	2,122,128	1,173,476
Income taxes receivable	97,382	91,348
Prepayments and other <i>(HEP: \$5,381 and \$8,591, respectively)</i>	66,612	47,583
Total current assets	3,762,454	3,310,761
Properties, plants and equipment, at cost <i>(HEP: \$2,037,527 and \$2,119,295, respectively)</i>	8,448,207	7,299,517
Less accumulated depreciation <i>(HEP: \$(682,143) and \$(644,149)), respectively)</i>	(3,033,353)	(2,726,378)
	5,414,854	4,573,139
Operating lease right-of-use assets <i>(HEP: \$69,134 and \$72,480, respectively)</i>	396,191	350,548
Other assets: Turnaround costs	397,385	314,816
Goodwill <i>(HEP: \$312,873 and \$312,873, respectively)</i>	2,293,044	2,293,935
Intangibles and other <i>(HEP: \$214,436 and \$224,430, respectively)</i>	652,685	663,665
	3,343,114	3,272,416
Total assets	\$ 12,916,613	\$ 11,506,864
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable <i>(HEP: \$28,954 and \$28,565, respectively)</i>	\$ 1,613,484	\$ 1,000,959
Income taxes payable	25,156	1,801
Operating lease liabilities <i>(HEP \$3,710 and \$3,827, respectively)</i>	110,606	97,937
Accrued liabilities <i>(HEP: \$18,479 and \$29,518, respectively)</i>	316,218	274,459
Total current liabilities	2,065,464	1,375,156
Long-term debt <i>(HEP: \$1,333,049 and \$1,405,603, respectively)</i>	3,072,737	3,142,718
Noncurrent operating lease liabilities <i>(HEP \$65,799 and \$68,454, respectively)</i>	308,747	285,785
Deferred income taxes <i>(HEP: \$396 and \$449, respectively)</i>	837,401	713,703
Other long-term liabilities <i>(HEP: \$43,033 and \$55,105, respectively)</i>	337,799	267,299
Commitments and contingencies (Note 19)		
Equity:		
HollyFrontier stockholders' equity:		
Preferred stock, \$1.00 par value – 5,000,000 shares authorized; none issued	—	—
Common stock \$0.01 par value – 320,000,000 shares authorized; 256,046,051 shares issued as of December 31, 2021 and December 31, 2020	2,560	2,560
Additional capital	4,220,075	4,207,672
Retained earnings	4,413,836	3,913,179
Accumulated other comprehensive income	2,671	13,462
Common stock held in treasury, at cost - 93,044,605 and 93,632,391 shares as of December 31, 2021 and December 31, 2020, respectively	(2,951,257)	(2,968,512)
Total HollyFrontier stockholders' equity	5,687,885	5,168,361
Noncontrolling interest	606,580	553,842
Total equity	6,294,465	5,722,203
Total liabilities and equity	\$ 12,916,613	\$ 11,506,864

Parentetical amounts represent asset and liability balances attributable to Holly Energy Partners, L.P. ("HEP") as of December 31, 2021 and 2020. HEP is a variable interest entity.

See accompanying notes.

HOLLYFRONTIER CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Years Ended December 31,		
	2021	2020	2019
Sales and other revenues	\$ 18,389,142	\$ 11,183,643	\$ 17,486,578
Operating costs and expenses:			
Cost of products sold (exclusive of depreciation and amortization):			
Cost of products sold (exclusive of lower of cost or market inventory valuation adjustment)	15,567,052	9,158,805	13,918,384
Lower of cost or market inventory valuation adjustment	(310,123)	78,499	(119,775)
	15,256,929	9,237,304	13,798,609
Operating expenses (exclusive of depreciation and amortization)	1,517,478	1,300,277	1,394,052
Selling, general and administrative expenses (exclusive of depreciation and amortization)	362,010	313,600	354,236
Depreciation and amortization	503,539	520,912	509,925
Goodwill and long-lived asset impairments	—	545,293	152,712
Total operating costs and expenses	17,639,956	11,917,386	16,209,534
Income (loss) from operations	749,186	(733,743)	1,277,044
Other income (expense):			
Earnings of equity method investments	12,432	6,647	5,180
Interest income	4,019	7,633	22,139
Interest expense	(125,175)	(126,527)	(143,321)
Gain on business interruption insurance settlement	—	81,000	—
Gain on tariff settlement	51,500	—	—
Gain on sales-type leases	—	33,834	—
Loss on early extinguishment of debt	—	(25,915)	—
Gain (loss) on foreign currency transactions	(2,938)	2,201	5,449
Gain on sale of assets and other	98,128	7,824	5,013
	37,966	(13,303)	(105,540)
Income (loss) before income taxes	787,152	(747,046)	1,171,504
Income tax expense (benefit):			
Current	(4,672)	(55,420)	220,486
Deferred	128,570	(176,727)	78,666
	123,898	(232,147)	299,152
Net income (loss)	663,254	(514,899)	872,352
Less net income attributable to noncontrolling interest	104,930	86,549	99,964
Net income (loss) attributable to HollyFrontier stockholders	\$ 558,324	\$ (601,448)	\$ 772,388
Earnings (loss) per share:			
Basic	\$ 3.39	\$ (3.72)	\$ 4.64
Diluted	\$ 3.39	\$ (3.72)	\$ 4.61
Average number of common shares outstanding:			
Basic	162,569	161,983	166,287
Diluted	162,569	161,983	167,385

See accompanying notes.

HOLLYFRONTIER CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Years Ended December 31,		
	2021	2020	2019
Net income (loss)	\$ 663,254	\$ (514,899)	\$ 872,352
Other comprehensive income (loss):			
Foreign currency translation adjustment	(13,336)	6,226	13,337
Hedging instruments:			
Change in fair value of cash flow hedging instruments	(17,548)	(7,475)	14,364
Reclassification adjustments to net income (loss) on settlement of cash flow hedging instruments	17,579	2,604	(19,713)
Net unrealized gain (loss) on hedging instruments	31	(4,871)	(5,349)
Pension and other post-retirement benefit obligations:			
Actuarial gain (loss) on pension plans	2,104	1,862	(990)
Pension plans gain reclassified to net income (loss)	(407)	(422)	—
Actuarial gain (loss) on post-retirement healthcare plans	1,133	(1,129)	(2,412)
Post-retirement healthcare plans gain reclassified to net income (loss)	(3,328)	(3,564)	(3,587)
Actuarial gain (loss) on retirement restoration plan	2	(230)	(224)
Retirement restoration plan loss reclassified to net income (loss)	39	22	6
Net change in pension and other post-retirement benefit obligations	(457)	(3,461)	(7,207)
Other comprehensive income (loss) before income taxes	(13,762)	(2,106)	781
Income tax benefit	(2,971)	(794)	(370)
Other comprehensive income (loss)	(10,791)	(1,312)	1,151
Total comprehensive income (loss)	652,463	(516,211)	873,503
Less noncontrolling interest in comprehensive income	104,930	86,549	99,964
Comprehensive income (loss) attributable to HollyFrontier stockholders	\$ 547,533	\$ (602,760)	\$ 773,539

See accompanying notes.

HOLLYFRONTIER CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	\$ 663,254	\$ (514,899)	\$ 872,352
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	503,539	520,912	509,925
Goodwill and long-lived asset impairments	—	545,293	152,712
Lower of cost or market inventory valuation adjustment	(310,123)	78,499	(119,775)
Earnings of equity method investments, inclusive of distributions	—	1,084	(213)
Loss on early extinguishment of debt	—	25,915	—
Gain on sales-type leases	—	(33,834)	—
(Gain) loss on sale of assets	(89,765)	(201)	50
Deferred income taxes	128,570	(176,727)	78,666
Equity-based compensation expense	39,273	31,654	42,269
Change in fair value – derivative instruments	(34,096)	26,456	36,888
(Increase) decrease in current assets:			
Accounts receivable	(614,407)	254,684	(150,437)
Inventories	(344,559)	230,142	91,599
Income taxes receivable	(6,415)	(85,442)	32,368
Prepayments and other	(18,672)	(2,541)	3,633
Increase (decrease) in current liabilities:			
Accounts payable	612,410	(241,765)	312,794
Income taxes payable	23,158	(25,897)	9,048
Accrued liabilities	83,602	(85,708)	13,748
Turnaround expenditures	(214,431)	(94,692)	(318,415)
Other, net	(14,656)	4,998	(18,601)
Net cash provided by operating activities	406,682	457,931	1,548,611
Cash flows from investing activities:			
Additions to properties, plants and equipment	(725,073)	(270,877)	(263,651)
Additions to properties, plants and equipment – HEP	(88,336)	(59,283)	(30,112)
Acquisitions, net of cash acquired	(624,332)	—	(662,665)
Investment in equity company - HEP	—	(2,438)	(17,886)
Proceeds from sale of assets	106,357	1,554	194
Distributions in excess of equity in earnings of equity investments	4,165	882	1,206
Net cash used for investing activities	(1,327,219)	(330,162)	(972,914)
Cash flows from financing activities:			
Borrowings under credit agreements	555,500	258,500	365,500
Repayments under credit agreements	(629,000)	(310,500)	(323,000)
Proceeds from issuance of senior notes – HFC	—	748,925	—
Proceeds from issuance of senior notes – HEP	—	500,000	—
Redemption of senior notes - HEP	—	(522,500)	—
Purchase of treasury stock	(7,058)	(7,642)	(533,083)
Dividends	(57,663)	(229,493)	(225,170)
Distributions to noncontrolling interest	(75,395)	(89,001)	(132,268)
Contribution from noncontrolling interests	23,194	23,899	3,210
Payments on finance leases	(3,990)	(2,995)	(1,551)
Deferred financing costs	(14,500)	(15,538)	—
Other, net	(2,891)	(429)	(1,893)
Net cash provided by (used for) financing activities	(211,803)	353,226	(848,255)
Effect of exchange rate on cash flow	(1,534)	2,161	2,968
Cash and cash equivalents:			
Increase (decrease) for the period	(1,133,874)	483,156	(269,590)
Beginning of period	1,368,318	885,162	1,154,752
End of period	\$ 234,444	\$ 1,368,318	\$ 885,162
Supplemental disclosure of cash flow information:			
Cash (paid) received during the period for:			
Interest	\$ (136,429)	\$ (120,257)	\$ (133,809)
Income taxes, net	\$ 19,760	\$ (54,256)	\$ (178,967)
Increase (decrease) in accrued and unpaid capital expenditures	\$ (15,319)	\$ 73,867	\$ 19,752

See accompanying notes.

HOLLYFRONTIER CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY

(In thousands)

	HollyFrontier Stockholders' Equity							Total Equity
	Common Stock	Additional Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Non-controlling Interest		
Balance at December 31, 2018	\$ 2,560	\$ 4,196,125	\$ 4,196,902	\$ 13,623	\$ (2,490,639)	\$ 540,488	\$ 6,459,059	
Net income	—	—	772,388	—	—	99,964	872,352	
Dividends (\$1.34 declared per common share)	—	—	(225,170)	—	—	—	(225,170)	
Distributions to noncontrolling interest holders	—	—	—	—	—	(132,268)	(132,268)	
Other comprehensive income, net of tax	—	—	—	1,151	—	—	1,151	
Equity attributable to HEP common unit issuances, net of tax	—	—	—	—	—	(139)	(139)	
Issuance of common stock under incentive compensation plans, net of forfeitures	—	(31,314)	—	—	31,314	—	—	
Equity-based compensation	—	39,736	—	—	—	2,533	42,269	
Purchase of treasury stock	—	—	—	—	(528,483)	—	(528,483)	
Purchase of HEP units for restricted grants	—	—	—	—	—	(1,893)	(1,893)	
Contributions from noncontrolling interests	—	—	—	—	—	22,548	22,548	
Balance at December 31, 2019	\$ 2,560	\$ 4,204,547	\$ 4,744,120	\$ 14,774	\$ (2,987,808)	\$ 531,233	\$ 6,509,426	
Net income (loss)	—	—	(601,448)	—	—	86,549	(514,899)	
Dividends (\$1.40 declared per common share)	—	—	(229,493)	—	—	—	(229,493)	
Distributions to noncontrolling interest holders	—	—	—	—	—	(89,001)	(89,001)	
Other comprehensive loss, net of tax	—	—	—	(1,312)	—	—	(1,312)	
Issuance of common stock under incentive compensation plans	—	(26,938)	—	—	26,938	—	—	
Equity-based compensation	—	29,460	—	—	—	2,194	31,654	
Purchase of treasury stock	—	—	—	—	(7,642)	—	(7,642)	
Purchase of HEP units for restricted grants	—	—	—	—	—	(1,032)	(1,032)	
Contributions from noncontrolling interests	—	—	—	—	—	23,899	23,899	
Other	—	603	—	—	—	—	603	
Balance at December 31, 2020	\$ 2,560	\$ 4,207,672	\$ 3,913,179	\$ 13,462	\$ (2,968,512)	\$ 553,842	\$ 5,722,203	
Net income	—	—	558,324	—	—	104,930	663,254	
Dividends (\$0.35 declared per common share)	—	—	(57,663)	—	—	—	(57,663)	
Distributions to noncontrolling interest holders	—	—	—	—	—	(75,395)	(75,395)	
Other comprehensive loss, net of tax	—	—	—	(10,791)	—	—	(10,791)	
Issuance of common stock under incentive compensation plans	—	(24,313)	—	—	24,313	—	—	
Equity-based compensation	—	36,716	—	—	—	2,557	39,273	
Purchase of treasury stock	—	—	—	—	(7,058)	—	(7,058)	
Purchase of HEP units for restricted grants	—	—	—	—	—	(2,548)	(2,548)	
Contributions from noncontrolling interests	—	—	—	—	—	23,194	23,194	
Other	—	—	(4)	—	—	—	(4)	
Balance at December 31, 2021	\$ 2,560	\$ 4,220,075	\$ 4,413,836	\$ 2,671	\$ (2,951,257)	\$ 606,580	\$ 6,294,465	

See accompanying notes.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: Description of Business and Summary of Significant Accounting Policies

Description of Business: References herein to HollyFrontier Corporation (“HollyFrontier”) include HollyFrontier and its consolidated subsidiaries. In accordance with the Securities and Exchange Commission’s (“SEC”) “Plain English” guidelines, this Annual Report on Form 10-K has been written in the first person. In these financial statements, the words “we,” “our,” “ours” and “us” refer only to HollyFrontier and its consolidated subsidiaries or to HollyFrontier or an individual subsidiary and not to any other person, with certain exceptions. Generally, the words “we,” “our,” “ours” and “us” include Holly Energy Partners, L.P. (“HEP”) and its subsidiaries as consolidated subsidiaries of HollyFrontier, unless when used in disclosures of transactions or obligations between HEP and HollyFrontier or its other subsidiaries. These financial statements contain certain disclosures of agreements that are specific to HEP and its consolidated subsidiaries and do not necessarily represent obligations of HollyFrontier. When used in descriptions of agreements and transactions, “HEP” refers to HEP and its consolidated subsidiaries.

We are an independent petroleum refiner and marketer that produces high-value light products such as gasoline, diesel fuel, jet fuel, specialty lubricant products and specialty and modified asphalt. As of December 31, 2021, we owned and operated petroleum refineries located in Kansas, Oklahoma, New Mexico, Utah and Washington, and we market our refined products principally in the Southwest United States, the Rocky Mountains extending into the Pacific Northwest and in other neighboring Plains states. In addition, we produce base oils and other specialized lubricants in the United States, Canada and the Netherlands, with retail and wholesale marketing of our products through a global sales network with locations in Canada, the United States, Europe, China and Latin America. We also own a 57% limited partner interest and a non-economic general partner interest in HEP, a variable interest entity (“VIE”). HEP owns and operates logistic assets consisting of petroleum product and crude oil pipelines, terminals, tankage, loading rack facilities and refinery processing units that principally support our refining and marketing operations in the Mid-Continent, Southwest and Rocky Mountains geographic regions of the United States.

On August 2, 2021, HollyFrontier, Hippo Parent Corporation, a wholly owned subsidiary of HollyFrontier (“New Parent”), Hippo Merger Sub, Inc., a wholly owned subsidiary of New Parent, The Sinclair Companies (“Sinclair”), and Hippo Holding LLC, a wholly owned subsidiary of Sinclair (the “Target Company”), entered into a business combination agreement, pursuant to which HollyFrontier will acquire the Target Company.

On May 4, 2021, HollyFrontier Puget Sound Refining LLC, a wholly owned subsidiary of HollyFrontier Corporation, entered into a sale and purchase agreement with Equilon Enterprises LLC d/b/a Shell Oil Products US (“Shell”) to acquire Shell’s Puget Sound refinery and related assets, including the on-site cogeneration facility and related logistics assets (the “Puget Sound Refinery”). The acquisition closed on November 1, 2021.

On November 12, 2018, we entered into an equity purchase agreement to acquire 100% of the issued and outstanding capital stock of Sonneborn US Holdings Inc. and 100% of the membership rights in Sonneborn Coöperatief U.A. (collectively, “Sonneborn”). The acquisition closed on February 1, 2019.

See Note 2 for additional information on these acquisitions.

On April 27, 2021, our wholly owned subsidiary, 7037619 Canada Inc., entered into a contract for sale of real property in Mississauga, Ontario for base consideration of \$98.8 million, or CAD 125 million. The transaction closed on September 15, 2021, and we recorded a gain on sale of assets totaling \$86.0 million for the year ended December 31, 2021, which was recognized in “Gain on sale of assets and other” on our consolidated statements of operations.

During the first quarter of 2021, we initiated a restructuring within our Lubricants and Specialty Products segment. As a result of this restructuring, we recorded \$7.8 million in employee severance costs for the year ended December 31, 2021, which were recognized primarily as selling, general and administrative expenses in our Lubricants and Specialty Products segment.

In the third quarter of 2020, we permanently ceased petroleum refining operations at our Cheyenne, Wyoming refinery (the “Cheyenne Refinery”) and subsequently began converting certain assets at our Cheyenne Refinery to renewable diesel production. In connection with the cessation of petroleum refining operations at our Cheyenne Refinery, we recognized \$25.8 million in decommissioning expense and \$1.0 million in employee severance costs for the year ended December 31, 2021, which were recognized in operating expenses in our Corporate and Other segment.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

During the second quarter of 2020, we recorded long-lived asset impairment charges of \$232.2 million related to our Cheyenne Refinery asset group. Also, we recognized \$24.7 million in decommissioning expense and \$3.8 million in employee severance costs for the year ended December 31, 2020. Additionally, we recorded a reserve of \$9.0 million against our repair and maintenance supplies inventory. These decommissioning, inventory reserve and severance costs were recognized in operating expenses, of which \$24.8 million was recorded in our Refining segment and \$12.7 million was recorded in our Corporate and Other segment.

During the second quarter of 2020, we also initiated and completed a corporate restructuring. As a result of this restructuring, we recorded \$3.7 million in employee severance costs, which were recognized primarily as operating expenses in our Refining segment and selling, general and administrative expenses in our Corporate and Other segment.

Principles of Consolidation: Our consolidated financial statements include our accounts and the accounts of partnerships and joint ventures that we control through an ownership interest greater than 50% or through a controlling financial interest with respect to variable interest entities. All significant intercompany transactions and balances have been eliminated.

Variable Interest Entities: HEP is a VIE as defined under U.S. generally accepted accounting principles (“GAAP”). A VIE is a legal entity whose equity owners do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support or, as a group, the equity holders lack the power, through voting rights, to direct the activities that most significantly impact the entity's financial performance, the obligation to absorb the entity's expected losses or rights to expected residual returns. As the general partner of HEP, we have the sole ability to direct the activities of HEP that most significantly impact HEP's financial performance, and therefore as HEP's primary beneficiary, we consolidate HEP.

In 2019, HEP Cushing LLC, a wholly-owned subsidiary of HEP, and Plains Marketing, L.P., a wholly-owned subsidiary of Plains All American Pipeline, L.P. (“Plains”), formed a 50/50 joint venture, Cushing Connect Pipeline & Terminal LLC. Cushing Connect Pipeline & Terminal LLC and its two subsidiaries, Cushing Connect Pipeline and Cushing Connect Terminal, are each VIE's because they do not have sufficient equity at risk to finance their activities without additional financial support. HEP is the primary beneficiary of two of these entities as HEP constructed and operates the Cushing Connect Pipeline, and HEP has more ability to direct the activities that most significantly impact the financial performance of Cushing Connect Pipeline & Terminal LLC and Cushing Connect Pipeline. Therefore, HEP consolidates these two entities. HEP is not the primary beneficiary of Cushing Connect Terminal, which HEP accounts for using the equity method of accounting.

Use of Estimates: The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents: We consider all highly liquid instruments with a maturity of three months or less at the date of purchase to be cash equivalents. Cash equivalents are stated at cost, which approximates market value and are primarily invested in highly-rated instruments issued by government or municipal entities with strong credit standings.

Balance Sheet Offsetting: We purchase and sell inventories of crude oil with certain same-parties that are net settled in accordance with contractual net settlement provisions. Our policy is to present such balances on a net basis since it presents our accounts receivables and payables consistent with our contractual settlement provisions.

Accounts Receivable: Our accounts receivable consist of amounts due from customers that are primarily companies in the petroleum industry. Credit is extended based on our evaluation of the customer's financial condition, and in certain circumstances collateral, such as letters of credit or guarantees, is required. We reserve for expected credit losses based on our historical loss experience as well as expected credit losses from current economic conditions and management's expectations of future economic conditions. Credit losses are charged to the allowance for expected credit losses when an account is deemed uncollectible. Our allowance for expected credit losses was \$3.7 million at December 31, 2021 and \$3.4 million at December 31, 2020.

Accounts receivable attributable to crude oil resales generally represent the sale of excess crude oil to other purchasers and / or users in cases when our crude oil supplies are in excess of our immediate needs as well as certain reciprocal buy / sell exchanges of crude oil. At times we enter into such buy / sell exchanges to facilitate the delivery of quantities to certain locations. In many cases, we enter into net settlement agreements relating to the buy / sell arrangements, which may mitigate credit risk.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

Inventories: Inventories related to our refining operations are stated at the lower of cost, using the last-in, first-out (“LIFO”) method for crude oil and unfinished and finished refined products, or market. Inventories related to our renewable business are stated at the lower of cost, using the LIFO method for feedstock and unfinished and finished renewable products, or market. Cost, consisting of raw material, transportation and conversion costs, is determined using the LIFO inventory valuation methodology and market is determined using current replacement costs. Under the LIFO method, the most recently incurred costs are charged to cost of sales and inventories are valued at the earliest acquisition costs. In periods of rapidly declining prices, LIFO inventories may have to be written down to market value due to the higher costs assigned to LIFO layers in prior periods. In addition, the use of the LIFO inventory method may result in increases or decreases to cost of sales in years that inventory volumes decline as the result of charging cost of sales with LIFO inventory costs generated in prior periods. An actual valuation of inventory under the LIFO method is made at the end of each year based on the inventory levels at that time. Accordingly, interim LIFO calculations are based on management’s estimates of expected year-end inventory levels and are subject to the final year-end LIFO inventory valuation.

Inventories of our Petro-Canada Lubricants and Sonneborn businesses are stated at the lower of cost, using the first-in, first-out (“FIFO”) method, or net realizable value.

Inventories consisting of process chemicals, materials and maintenance supplies and renewable identification numbers (“RINs”) are stated at the lower of weighted-average cost or net realizable value.

Leases: At inception, we determine if an arrangement is or contains a lease. Right-of-use (“ROU”) assets represent our right to use an underlying asset for the lease term and lease liabilities represent our payment obligation under the leasing arrangement. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. We use our estimated incremental borrowing rate (“IBR”) to determine the present value of lease payments as most of our leases do not contain an implicit rate. Our IBR represents the interest rate which we would pay to borrow, on a collateralized basis, an amount equal to the lease payments over a similar term in a similar economic environment. We use the implicit rate when readily determinable.

Operating leases are recorded in “Operating lease right-of-use assets” and current and noncurrent “Operating lease liabilities” on our consolidated balance sheet. Finance leases are included in “Properties, plants and equipment, at cost” and “Accrued liabilities” and “Other long-term liabilities” on our consolidated balance sheet.

Our lease term includes an option to extend the lease when it is reasonably certain that we will exercise that option. Leases with a term of 12 months or less are not recorded on our balance sheet. For certain equipment leases, we apply a portfolio approach for the operating lease ROU assets and liabilities. Also, as a lessee, we separate non-lease components that are identifiable and exclude them from the determination of net present value of lease payment obligations. In addition, HEP, as a lessor, does not separate the non-lease (service) component in contracts in which the lease component is the dominant component. HEP treats these combined components as an operating lease.

Derivative Instruments: All derivative instruments are recognized as either assets or liabilities on our consolidated balance sheets and are measured at fair value. Changes in the derivative instrument’s fair value are recognized in earnings unless specific hedge accounting criteria are met. Cash flows from all our derivative activity are reported in the operating section on our consolidated statement of cash flows. See Note 14 for additional information.

Properties, Plants and Equipment: Properties, plants and equipment are stated at cost. Depreciation is provided by the straight-line method over the estimated useful lives of the assets, primarily 15 to 32 years for refining, pipeline and terminal facilities, 10 to 40 years for buildings and improvements, 5 to 30 years for other fixed assets and 5 years for vehicles.

Asset Retirement Obligations: We record legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and / or the normal operation of long-lived assets. The fair value of the estimated cost to retire a tangible long-lived asset is recorded as a liability with the associated retirement costs capitalized as part of the asset’s carrying amount in the period in which it is incurred and when a reasonable estimate of the fair value of the liability can be made. If a reasonable estimate cannot be made at the time the liability is incurred, we record the liability when sufficient information is available to estimate the liability’s fair value. Certain of our refining assets have no recorded liability for asset retirement obligations since the timing of any retirement and related costs are currently indeterminable.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

Our asset retirement obligations were \$52.5 million and \$42.6 million at December 31, 2021 and 2020, respectively, which are included in “Other long-term liabilities” on our consolidated balance sheets. Accretion expense was insignificant for the years ended December 31, 2021, 2020 and 2019. Asset retirement obligations assumed in the Puget Sound Acquisition, as defined in Note 2, were \$8.5 million.

Intangibles, Goodwill and Long-lived Assets: Intangible assets are assets (other than financial assets) that lack physical substance, and goodwill represents the excess of the cost of an acquired entity over the fair value of the assets acquired and liabilities assumed. Goodwill acquired in a business combination and intangibles with indefinite useful lives are not amortized, whereas intangible assets with finite useful lives are amortized on a straight-line basis. Goodwill and intangible assets that are not subject to amortization are tested for impairment annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Our goodwill impairment testing first entails either a quantitative assessment or an optional qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If we determine that based on the qualitative factors that it is more likely than not that the carrying amount of the reporting unit is greater than its fair value, a quantitative test is performed in which we estimate the fair value of the related reporting unit. If the carrying amount of a reporting unit exceeds its fair value, the goodwill of that reporting unit is impaired, and we measure goodwill impairment as the excess of the carrying amount of the reporting unit over the related fair value. The carrying amount of our intangible assets and goodwill may fluctuate from period to period due to the effects of foreign currency translation adjustments on goodwill and intangible assets assigned to our Lubricants and Specialty Products segment.

For purposes of long-lived asset impairment evaluation, we group our long-lived assets as follows: (i) our refinery asset groups, which include certain HEP logistics assets, (ii) our Lubricants and Specialty Products asset groups and (iii) our HEP asset groups, which comprises HEP assets not included in our refinery asset groups. These asset groups represent the lowest level for which independent cash flows can be identified. Our long-lived assets are evaluated for impairment by identifying whether indicators of impairment exist and if so, assessing whether the long-lived assets are recoverable from estimated future undiscounted cash flows. The actual amount of impairment loss measured, if any, is equal to the amount by which the asset group’s carrying value exceeds its fair value.

See Note 11 for additional information regarding our goodwill and long-lived assets including impairment charges recorded during the years ended December 31, 2020 and 2019.

Equity Method Investments: We account for investments in which we have a noncontrolling interest, yet have significant influence over the entity, using the equity method of accounting, whereby we record our pro-rata share of earnings and contributions to and distributions from joint ventures as adjustments to our investment balance. HEP has a 50% interest in Osage Pipe Line Company, LLC and a 50% interest in Cheyenne Pipeline, LLC. HEP also accounts for Cushing Connect Terminal, a subsidiary of the Cushing Connect Pipeline & Terminal LLC joint venture, using the equity method of accounting, as HEP does not have the ability to direct the activities that most significantly impact the entity. As of December 31, 2021, HEP’s underlying equity and recorded investment balances in the joint ventures are \$90.8 million and \$116.4 million respectively. The differences are being amortized as adjustments to HEP’s pro-rata share of earnings in the joint ventures.

Revenue Recognition: Revenues on refined product and excess crude oil sales are recognized when delivered (via pipeline, in-tank or rack) and the customer obtains control of such inventory, which is typically when title passes and the customer is billed. All revenues are reported inclusive of shipping and handling costs billed and exclusive of any taxes billed to customers. Shipping and handling costs incurred are reported as cost of products sold.

Our lubricants and specialty products business has sales agreements with marketers and distributors that provide certain rights of return or provisions for the repurchase of products previously sold to them. Under these agreements, revenues and cost of revenues are deferred until the products have been sold to end customers. Our lubricants and specialty products business also has agreements that create an obligation to deliver products at a future date for which consideration has already been received and recorded as deferred revenue. This revenue is recognized when the products are delivered to the customer.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

HEP recognizes revenues as products are shipped through its pipelines and terminals and as other services are rendered. Additionally, HEP has certain throughput agreements that specify minimum volume requirements, whereby HEP bills a customer for a minimum level of shipments in the event a customer ships below their contractual requirements. If there are no future performance obligations, HEP recognizes these deficiency payments as revenue. In certain of these throughput agreements, a customer may later utilize such shortfall billings as credit towards future volume shipments in excess of its minimum levels within its respective contractual shortfall make-up period. Such amounts represent an obligation to perform future services, which may be initially deferred and later recognized as revenue based on estimated future shipping levels, including the likelihood of a customer's ability to utilize such amounts prior to the end of the contractual shortfall make-up period. HEP recognizes the service portion of these deficiency payments as revenue when HEP does not expect it will be required to satisfy these performance obligations in the future based on the pattern of rights exercised by the customer. Payment terms under our contracts with customers are consistent with industry norms and are typically payable within 30 days of the date of invoice.

Cost Classifications: Costs of products sold include the cost of crude oil, other feedstocks, blendstocks and purchased finished products, inclusive of transportation costs. We purchase crude oil that at times exceeds the supply needs of our refineries. Quantities in excess of our needs are sold at market prices to purchasers of crude oil that are recorded on a gross basis with the sales price recorded as revenues and the corresponding acquisition cost as cost of products sold. Additionally, we enter into buy / sell exchanges of crude oil with certain parties to facilitate the delivery of quantities to certain locations that are netted at cost. Operating expenses include direct costs of labor, maintenance materials and services, utilities and other direct operating costs. Selling, general and administrative expenses include compensation, professional services and other support costs.

Deferred Maintenance Costs: Our refinery units require regular major maintenance and repairs which are commonly referred to as "turnarounds." Catalysts used in certain refinery processes also require regular "change-outs." The required frequency of the maintenance varies by unit and by catalyst, but generally is every two to five years. Turnaround costs are deferred and amortized over the period until the next scheduled turnaround. Other repairs and maintenance costs are expensed when incurred. Deferred turnaround and catalyst amortization expense was \$136.9 million, \$158.4 million and \$141.9 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Environmental Costs: Environmental costs are charged to operating expenses if they relate to an existing condition caused by past operations and do not contribute to current or future revenue generation. We have ongoing investigations of environmental matters at various locations and routinely assess our recorded environmental obligations, if any, with respect to such matters. Liabilities are recorded when site restoration and environmental remediation, cleanup and other obligations are either known or considered probable and can be reasonably estimated. Such estimates are undiscounted and require judgment with respect to costs, time frame and extent of required remedial and clean-up activities and are subject to periodic adjustments based on currently available information. Recoveries of environmental costs through insurance, indemnification arrangements or other sources are included in other assets to the extent such recoveries are considered probable.

Contingencies: We are subject to proceedings, lawsuits and other claims related to environmental, labor, product and other matters. We are required to assess the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable losses. We accrue for contingencies when it is probable that a loss has occurred and when the amount of that loss is reasonably estimable. A determination of the amount of reserves required, if any, for these contingencies is made after careful analysis of each individual issue. The required reserves may change in the future due to new developments in each matter or changes in approach such as a change in settlement strategy in dealing with these matters.

Foreign Currency Translation: Assets and liabilities recorded in foreign currencies are translated into U.S. dollars using exchange rates in effect as of the balance sheet date. Revenue and expense accounts are translated using the weighted-average exchange rates during the period presented. Foreign currency translation adjustments are recorded as a component of accumulated other comprehensive income.

We have intercompany notes that were issued to fund certain of our foreign businesses. Remeasurement adjustments resulting from the conversion of such intercompany financing amounts to functional currencies are recorded as gains or losses as a component of other income (expense) on our consolidated statements of operations. Such adjustments are not recorded to the Lubricants and Specialty Products segment operations, but to Corporate and Other. See Note 20 for additional information on our segments.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Income Taxes: Provisions for income taxes include deferred taxes resulting from temporary differences in income for financial and tax purposes, using the liability method of accounting for income taxes. The liability method requires the effect of tax rate changes on deferred income taxes to be reflected in the period in which the rate change was enacted. The liability method also requires that deferred tax assets be reduced by a valuation allowance unless it is more likely than not that the assets will be realized. We account for U.S. tax on global intangible low-taxed income in the period in which it is incurred.

Potential interest and penalties related to income tax matters are recognized in income tax expense. We believe we have appropriate support for the income tax positions taken and to be taken on our income tax returns and that our accruals for tax liabilities are adequate for all open years based on an assessment of many factors, including past experience and interpretations of tax law applied to the facts of each matter.

Inventory Repurchase Obligations: We periodically enter into same-party sell / buy transactions, whereby we sell certain refined product inventory and subsequently repurchase the inventory in order to facilitate delivery to certain locations. Such sell / buy transactions are accounted for as inventory repurchase obligations under which proceeds received under the initial sell is recognized as inventory repurchase obligations that are subsequently reversed when the inventories are repurchased. For the years ended December 31, 2021, 2020 and 2019, we received proceeds of \$43.5 million, \$44.9 million and \$52.1 million and subsequently repaid \$45.4 million, \$46.4 million and \$49.2 million, respectively, under these sell / buy transactions.

Accounting Pronouncements - Not Yet Adopted

In October 2021, Accounting Standards Update 2021-08, “Accounting for Contract Assets and Contract Liabilities from Contracts with Customers,” was issued requiring that an acquiring entity recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Accounting Standards Codification (“ASC”) 606, “Revenue from Contracts with Customers.” This standard is effective for fiscal years beginning after December 15, 2022, and early adoption is permitted. We will evaluate the impact of this standard and consider early adoption, if applicable.

NOTE 2: Acquisitions

Puget Sound Refinery

On May 4, 2021, our wholly owned subsidiary, HollyFrontier Puget Sound Refining LLC, entered into a sale and purchase agreement with Shell to acquire the Puget Sound Refinery. The acquisition closed on November 1, 2021 for aggregate cash consideration of \$624.3 million, which consists of a base cash purchase price of \$350.0 million, hydrocarbon inventory of \$277.9 million and other closing adjustments and accrued liabilities of \$3.6 million (the “Puget Sound Acquisition”).

This transaction was accounted for as a business combination, using the acquisition method, with the aggregate cash consideration allocated to the acquisition date fair value of assets and liabilities acquired.

In connection with the Puget Sound Acquisition, we incurred \$12.2 million of acquisition and integration costs during the year ended December 31, 2021, which are included in selling, general and administrative expenses on the consolidated statement of operations.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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The following summarizes the Puget Sound Refinery fair value of assets acquired and liabilities assumed on November 1, 2021:

	(In thousands)	
Assets Acquired		
Inventories: Crude oil and refined products	\$	277,887
Inventories: Materials, supplies and other		21,460
Properties, plants and equipment ⁽¹⁾		394,237
Other assets		10,400
Total assets acquired	\$	703,984
Liabilities Assumed		
Accrued and other current liabilities ⁽¹⁾	\$	12,524
Other long-term liabilities ⁽¹⁾		67,128
Total liabilities assumed		79,652
Net assets acquired	\$	624,332

(1) Properties, plant and equipment include \$61.5 million of financing lease ROU assets. Current and noncurrent financing lease liabilities were \$7.9 million and \$53.6 million, respectively.

The fair value measurements for properties, plants and equipment were based on significant inputs that are not observable in the market and, therefore, represent Level 3 measurements.

The fair value of properties, plants and equipment was based on the combination of the cost and market approaches. Key assumptions in the cost approach include determining the replacement cost by evaluating recent published data and adjusting replacement cost for economic and functional obsolescence. We used the market approach to measure the value of certain assets through an analysis of recent sales or offerings of comparable properties. The fair value of crude oil and refined products inventory was based on market prices as of the acquisition date.

Our consolidated financial and operating results reflect the Puget Sound Refinery operations beginning November 1, 2021. Our results of operations include revenue and loss from operations of \$603.1 million and \$8.3 million, respectively, for the period from November 1, 2021 through December 31, 2021 related to these operations.

The following unaudited pro forma combined condensed financial data for the years ended December 31, 2021 and 2020 was derived from our historical financial statements giving effect to the Puget Sound Acquisition as if it had occurred on January 1, 2020. The below information reflects pro forma adjustments based on available information and certain assumptions that we believe are reasonable, including the depreciation of the Puget Sound Refinery's fair-valued properties, plants and equipment and the estimated tax impacts of the pro forma adjustments.

Additionally, pro forma earnings include certain non-recurring charges, the substantial majority of which consist of transaction costs related to financial advisors, legal advisors, financial advisory and professional accounting services.

The pro forma results of operations do not include any cost savings or other synergies that may result from the Puget Sound Acquisition. The pro forma combined condensed financial data has been included for comparative purposes only and is not necessarily indicative of the results that might have occurred had the Puget Sound Acquisition taken place on January 1, 2020 and is not intended to be a projection of future results.

	Years Ended December 31,	
	2021	2020
	(In thousands)	
Sales and other revenues	\$ 21,476,142	\$ 13,183,620
Net income (loss) attributable to HollyFrontier stockholders	\$ 601,210	\$ (802,234)

HOLLYFRONTIER CORPORATION
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The following pro forma information for the years ended December 31, 2021 and 2020 presents the revenues and operating income (loss) for our Refining segment assuming the Puget Sound Acquisition had occurred on January 1, 2020.

	Years Ended December 31,	
	2021	2020
	(In thousands)	
Sales and other revenues	\$ 19,445,558	\$ 11,539,166
Income (loss) from operations	\$ 509,450	\$ (934,061)

Sinclair

HFC Transactions: On August 2, 2021, HollyFrontier, Hippo Parent Corporation, a wholly owned subsidiary of HollyFrontier (“New Parent”), Hippo Merger Sub, Inc., a wholly owned subsidiary of New Parent (“Parent Merger Sub”), The Sinclair Companies (“Sinclair”), and Hippo Holding LLC, a wholly owned subsidiary of Sinclair (the “Target Company”), entered into a business combination agreement (the “Business Combination Agreement”). Pursuant to the Business Combination Agreement, HollyFrontier will acquire the Target Company by effecting (a) a holding company merger in accordance with Section 251(g) of the Delaware General Corporation Law whereby HollyFrontier will merge with and into Parent Merger Sub, with HollyFrontier surviving such merger as a direct wholly owned subsidiary of New Parent (the “HFC Merger”) and (b) immediately following the HFC Merger, a contribution whereby Sinclair will contribute all of the equity interests of the Target Company to New Parent in exchange for shares of New Parent, resulting in the Target Company becoming a direct wholly owned subsidiary of New Parent (the “Sinclair Oil Acquisition” and together with the HFC Merger, the “HFC Transactions”).

Under the terms of the Business Combination Agreement, at the effective time of the HFC Merger, (a) each share of common stock of HollyFrontier, par value \$0.01 per share, will be automatically converted into one share of common stock of New Parent, par value \$0.01 per share (“New Parent Common Stock”) and (b) immediately thereafter, Sinclair will contribute the equity interests in the Target Company to New Parent in exchange for 60,230,036 shares of New Parent Common Stock, subject to adjustment if, as a condition to obtaining antitrust clearance for the Sinclair Transactions (as defined below), HollyFrontier agrees to divest certain Woods Cross Refinery assets and the sales price for such assets does not exceed a threshold provided in the Business Combination Agreement.

On a pro forma basis following the closing, Sinclair is expected to own 26.75% of the outstanding common stock of New Parent, and HollyFrontier’s current stockholders are expected to hold in the aggregate 73.25% of the outstanding common stock of New Parent, based on HollyFrontier’s outstanding shares of common stock as of July 30, 2021.

Consummation of the HFC Transactions is subject to satisfaction or waiver of certain customary conditions, including, among others, the satisfaction of certain required regulatory consents and approvals, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (the “HSR Act”); and the consummation of the HEP Transactions (as defined below), which will occur immediately prior to the HFC Transactions (the HEP Transactions, together with the HFC Transactions, the “Sinclair Transactions”). On August 23, 2021, each of HollyFrontier and Sinclair filed its respective premerger notification and report regarding the Sinclair Transactions with the U.S. Department of Justice and the U.S. Federal Trade Commission (the “FTC”) under the HSR Act. On September 22, 2021, HollyFrontier and Sinclair each received a request for additional information and documentary material (“Second Request”) from the FTC in connection with the FTC’s review of the Sinclair Transactions. Issuance of the Second Request extends the waiting period under the HSR Act until 30 days after both HollyFrontier and Sinclair have substantially complied with the Second Request, unless the waiting period is terminated earlier by the FTC or the parties otherwise commit not to close the Sinclair Transactions for some additional period of time. HollyFrontier and Sinclair are cooperating with the FTC staff in its review and are working diligently to satisfy the closing conditions as soon as possible.

The Business Combination Agreement automatically terminates if the HEP Transactions are terminated and contains other customary termination rights. In the event that certain events occur under specified circumstances outlined in the Business Combination Agreement, HollyFrontier could be required to pay Sinclair a termination fee equal to \$200 million or \$35 million as reimbursement for expenses.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Upon closing of the Sinclair Transactions, HollyFrontier's existing senior management team will operate the combined company. Under the definitive agreements, Sinclair will be granted the right to nominate two directors to the New Parent board of directors at the closing. The Sinclair stockholders have also agreed to certain customary lock up, voting and standstill restrictions, as well as customary registration rights, for the New Parent Common Stock to be issued to the stockholders of Sinclair. The new company will be headquartered in Dallas, Texas, with combined business offices in Salt Lake City, Utah. Following the consummation of the HFC Merger, New Parent will assume HollyFrontier's listing on the New York Stock Exchange and will be renamed "HF Sinclair Corporation".

HEP Transactions: On August 2, 2021, HEP, Sinclair, and Sinclair Transportation Company, a wholly owned subsidiary of Sinclair ("STC"), entered into a contribution agreement (the "Contribution Agreement") pursuant to which the Partnership will acquire all of the outstanding shares of STC in exchange for 21 million newly issued common limited partner units of HEP and cash consideration equal to \$325 million (the "HEP Transactions").

The cash consideration for the HEP Transactions is subject to customary adjustments at closing for working capital of STC. The number of HEP common limited partner units to be issued to Sinclair at closing is subject to downward adjustment if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, HEP agrees to divest a portion of its equity interest in UNEV Pipeline, LLC and the sales price for such interests does not exceed the threshold provided in the Contribution Agreement.

The Contribution Agreement contains customary representations, warranties and covenants of HEP, Sinclair and STC. The HEP Transactions are expected to close in 2022, subject to the satisfaction or waiver of certain customary conditions, including, among others, the receipt of certain required regulatory consents and approvals, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, and the consummation of the HFC Transactions.

The Contribution Agreement automatically terminates if the HFC Transactions are terminated and contains other customary termination rights, including a termination right for each of the Partnership and Sinclair if, under certain circumstances, the closing does not occur by May 2, 2022 (the "Outside Date"), except that the Outside Date can be extended by either party by up to two 90 day periods to obtain any required antitrust clearance.

Upon closing of the HEP Transactions, HEP's existing senior management team will continue to operate HEP. Under the definitive agreements, Sinclair will be granted the right to nominate one director to the HEP board of directors at the closing. The Sinclair stockholders have also agreed to certain customary lock up restrictions and registration rights for the HEP common limited partner units to be issued to the stockholders of Sinclair. HEP will continue to operate under the name Holly Energy Partners, L.P.

On August 2, 2021, in connection with the Sinclair Transactions, HEP and HollyFrontier entered into a Letter Agreement ("Letter Agreement") pursuant to which, among other things, HEP and HollyFrontier agreed, upon the consummation of the Sinclair Transactions, to enter into amendments to certain of the agreements by and among HEP and HollyFrontier, including the master throughput agreement, to include within the scope of such agreements the assets to be acquired by HEP pursuant to the Contribution Agreement.

In addition, the Letter Agreement provides that if, as a condition to obtaining antitrust clearance for the Sinclair Transactions, HollyFrontier enters into a definitive agreement to divest its Woods Cross Refinery, then HEP would sell certain assets located at, or relating to, the Woods Cross Refinery to HollyFrontier in exchange for cash consideration equal to \$232.5 million plus the certain accounts receivable of HEP in respect of such assets, with such sale to be effective immediately prior to the closing of the sale of the Woods Cross Refinery by HollyFrontier. The Letter Agreement also provides that HEP's right to future revenues from HollyFrontier in respect of such Woods Cross Refinery assets will terminate at the closing of such sale.

Sonneborn

On November 12, 2018, we entered into an equity purchase agreement to acquire Sonneborn. The acquisition closed on February 1, 2019. Aggregate consideration totaled \$701.6 million and consisted of \$662.7 million in cash paid at acquisition, net of cash acquired. Sonneborn is a producer of specialty hydrocarbon chemicals such as white oils, petrolatums and waxes with manufacturing facilities in the United States and Europe.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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This transaction was accounted for as a business combination using the acquisition method of accounting, with the purchase price allocated to the fair value of the acquired Sonneborn assets and liabilities as of the February 1, 2019 acquisition date, with the excess purchase price recorded as goodwill. This goodwill was assigned to our Lubricants and Specialty Products segment and is not deductible for income tax purposes.

Fair values were as follows: cash and cash equivalents \$38.9 million, current assets \$139.4 million, properties, plants and equipment \$168.2 million, goodwill \$282.3 million, intangibles and other noncurrent assets \$231.5 million, current liabilities \$47.9 million and deferred income tax and other long-term liabilities \$110.8 million.

Intangibles included customer relationships, trademarks, patents and technical know-how totaling \$214.6 million that are being amortized on a straight-line basis over a 12-year period.

Our consolidated financial and operating results reflect the Sonneborn operations beginning February 1, 2019. Our results of operations include revenue and income before income taxes of \$340.3 million and \$5.1 million, respectively, for the period from February 1, 2019 through December 31, 2019 related to these operations.

NOTE 3: Leases

Lessee

We have operating and finance leases for land, buildings, pipelines, storage tanks, transportation and other equipment for our operations. Our leases have remaining terms of one to 58 years, some of which include options to extend the leases for up to 10 years. Certain of our leases for pipeline assets include provisions for variable payments which are based on a measure of throughput and also contain a provision for the lessor to adjust the rate per barrel periodically over the life of the lease. These variable costs are not included in the initial measurement of ROU assets and lease liabilities.

The following table presents the amounts and balance sheet locations of our operating and financing leases recorded on our consolidated balance sheets.

	December 31,	
	2021	2020
(In thousands)		
Operating leases:		
Operating lease right-of-use assets	\$ 396,191	\$ 350,548
Operating lease liabilities	110,606	97,937
Noncurrent operating lease liabilities	308,747	285,785
Total operating lease liabilities	<u>\$ 419,353</u>	<u>\$ 383,722</u>
Finance leases:		
Properties, plants and equipment, at cost	\$ 75,885	\$ 24,321
Accumulated amortization	(8,945)	(5,713)
Properties, plants and equipment, net	<u>\$ 66,940</u>	<u>\$ 18,608</u>
Accrued liabilities	\$ 10,510	\$ 1,916
Other long-term liabilities	56,556	5,097
Total finance lease liabilities	<u>\$ 67,066</u>	<u>\$ 7,013</u>

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Supplemental balance sheet information related to our leases was as follows:

	December 31,	
	2021	2020
Weighted average remaining lease term (in years)		
Operating leases	7.4	7.2
Finance leases	8.6	3.3
Weighted average discount rate		
Operating leases	3.8 %	4.1 %
Finance leases	3.9 %	5.3 %

The components of lease expense were as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Operating lease expense	\$ 117,292	\$ 121,608	\$ 112,770
Finance lease expense:			
Amortization of right-of-use assets	4,295	4,400	1,543
Interest on lease liabilities	733	415	334
Variable lease cost	3,645	3,580	4,449
Total lease expense	<u>\$ 125,965</u>	<u>\$ 130,003</u>	<u>\$ 119,096</u>

Supplemental cash flow information related to leases was as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 129,577	\$ 126,313	\$ 116,980
Operating cash flows from finance leases	\$ 733	\$ 415	\$ 334
Financing cash flows from finance leases	\$ 3,990	\$ 2,995	\$ 1,551
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	\$ 147,718	\$ 18,823	\$ 121,750
Finance leases	\$ 64,334	\$ 4,085	\$ 2,096

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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As of December 31, 2021, minimum future lease payments of our operating and finance lease obligations were as follows:

	Operating	Finance
	(In thousands)	
2022	\$ 122,907	\$ 13,096
2023	106,008	11,438
2024	77,770	8,292
2025	29,589	7,567
2026	22,046	6,711
Thereafter	143,337	33,208
Future minimum lease payments	501,657	80,312
Less: imputed interest	82,304	13,246
Total lease obligations	419,353	67,066
Less: current obligations	110,606	10,510
Long-term lease obligations	<u>\$ 308,747</u>	<u>\$ 56,556</u>

Lessor

Our consolidated statements of operations reflect lease revenue recognized by HEP for contracts with third parties in which HEP is the lessor.

Substantially all of the assets supporting contracts meeting the definition of a lease have long useful lives, and HEP believes these assets will continue to have value when the current agreements expire due to HEP's risk management strategy for protecting the residual fair value of the underlying assets by performing ongoing maintenance during the lease term.

One of HEP's throughput agreements with Delek US Holdings, Inc. ("Delek") was partially renewed during the year ended December 31, 2020. Certain components of this agreement met the criteria of sales-type leases since the underlying assets are not expected to have an alternative use at the end of the lease term to anyone other than Delek. Under sales-type lease accounting, at the commencement date, the lessor recognizes a net investment in the lease, based on the estimated fair value of the underlying leased assets at contract inception, and derecognizes the underlying assets with the difference recorded as selling profit or loss arising from the lease. Therefore, HEP recognized a gain on sales-type leases totaling \$33.8 million during the year ended December 31, 2020. This sales-type lease transaction, including the related gain, was a non-cash transaction.

Lease income recognized was as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Operating lease revenues	\$ 15,281	\$ 22,636	\$ 33,242
Gain on sales-type leases	\$ —	\$ 33,834	\$ —
Sales-type lease interest income	\$ 2,545	\$ 1,928	\$ —
Lease revenues relating to variable lease payments not included in measurement of the sales-type lease receivable	\$ 2,162	\$ 1,690	\$ —

HOLLYFRONTIER CORPORATION
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For HEP's sales-type leases, HEP included customer obligations related to minimum volume requirements in guaranteed minimum lease payments. Portions of HEP's minimum guaranteed pipeline tariffs for assets subject to sales-type lease accounting are recorded as interest income with the remaining amounts recorded as a reduction in net investment in leases. HEP recognized any billings for throughput volumes in excess of minimum volume requirements as variable lease payments, and these variable lease payments were recorded in lease revenues.

Annual minimum undiscounted lease payments in which HEP is a lessor to third-party contracts as of December 31, 2021 were as follows:

	<u>Operating</u>	<u>Sales-type</u>
	(In thousands)	
2022	\$ 9,810	\$ 2,955
2023	9,676	2,955
2024	9,676	2,955
2025	2,681	2,955
2026	—	2,955
Thereafter	—	24,380
Total lease payment receipts	<u>\$ 31,843</u>	<u>39,155</u>
Less: imputed interest		(29,716)
		9,439
Unguaranteed residual assets at end of leases		25,182
Net investment in leases		<u>\$ 34,621</u>

Net investment in sales-type leases recorded on our consolidated balance sheet was composed of the following:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
	(In thousands)	
Lease receivables	\$ 24,962	\$ 26,045
Unguaranteed residual assets	9,659	8,985
Net investment in leases	<u>\$ 34,621</u>	<u>\$ 35,030</u>

NOTE 4: Holly Energy Partners

HEP is a publicly held master limited partnership that owns and operates logistic assets consisting of petroleum product and crude oil pipelines, terminals, tankage, loading rack facilities and refinery processing units that principally support our refining and marketing operations, as well as other third-party refineries, in the Mid-Continent, Southwest and Rocky Mountains geographic regions of the United States. Additionally, as of December 31, 2021, HEP owned a 75% interest in UNEV Pipeline, LLC ("UNEV"), the owner of a pipeline running from Woods Cross, Utah to Las Vegas, Nevada and associated product terminals, and a 50% ownership interest in each of Osage Pipe Line Company, LLC, the owner of a pipeline running from Cushing, Oklahoma to El Dorado, Kansas (the "Osage Pipeline"); Cheyenne Pipeline, LLC, the owner of a pipeline running from Fort Laramie, Wyoming to Cheyenne, Wyoming (the "Cheyenne Pipeline") and Cushing Connect Pipeline & Terminal LLC ("Cushing Connect"), the owner of a crude oil storage terminal in Cushing, Oklahoma and a pipeline that runs from Cushing, Oklahoma to our Tulsa Refineries.

At December 31, 2021, we owned a 57% limited partner interest and a non-economic general partner interest in HEP. As the general partner of HEP, we have the sole ability to direct the activities that most significantly impact HEP's financial performance, and therefore as HEP's primary beneficiary, we consolidate HEP.

HEP has two primary customers (including us) and generates revenues by charging tariffs for transporting petroleum products and crude oil through its pipelines, by charging fees for terminalling refined products and other hydrocarbons, and by storing and providing other services at its storage tanks and terminals. Under our long-term transportation agreements with HEP (discussed further below), we accounted for 79% of HEP's total revenues for the year ended December 31, 2021. We do not provide financial or equity support through any liquidity arrangements and / or debt guarantees to HEP.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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HEP has outstanding debt under a senior secured revolving credit agreement and its senior notes. HEP's creditors have no recourse to our assets. Furthermore, our creditors have no recourse to the assets of HEP and its consolidated subsidiaries. See Note 13 for a description of HEP's debt obligations.

HEP has risk associated with its operations. If a major customer of HEP were to terminate its contracts or fail to meet desired shipping or throughput levels for an extended period of time, revenue would be reduced and HEP could suffer substantial losses to the extent that a new customer is not found. In the event that HEP incurs a loss, our operating results will reflect HEP's loss, net of intercompany eliminations, to the extent of our ownership interest in HEP at that point in time.

Cushing Connect Joint Venture

In October 2019, HEP Cushing LLC, a wholly-owned subsidiary of HEP, and Plains Marketing, L.P., a wholly-owned subsidiary of Plains All American Pipeline, L.P. ("Plains"), formed a 50/50 joint venture, Cushing Connect, for (i) the development, construction, ownership and operation of a new 160,000 barrel per day common carrier crude oil pipeline (the "Cushing Connect Pipeline") connects the Cushing, Oklahoma crude oil hub to our Tulsa Refineries and (ii) the ownership and operation of 1.5 million barrels of crude oil storage in Cushing, Oklahoma (the "Cushing Connect Terminal"). The Cushing Connect Terminal was fully in service beginning in April 2020, and the Cushing Connect Pipeline was placed in service at the end of the third quarter of 2021. Long-term commercial agreements have been entered into to support the Cushing Connect assets.

Cushing Connect entered into a contract with an affiliate of HEP to manage the operation of the Cushing Connect Pipeline and with an affiliate of Plains to manage the operation of the Cushing Connect Terminal. The total investment in Cushing Connect will be shared proportionately among the partners. However, HEP is solely responsible for any Cushing Connect Pipeline construction costs that exceed the budget by more than 10%. HEP's share of the cost of the Cushing Connect Terminal contributed by Plains and Cushing Connect Pipeline construction costs are approximately \$70.0 million to \$75.0 million.

Transportation Agreements

HEP serves our refineries under long-term pipeline, terminal and tankage throughput agreements and refinery processing tolling agreements expiring from 2022 through 2036. Under these agreements, we pay HEP fees to transport, store and process throughput volumes of refined products, crude oil and feedstocks on HEP's pipelines, terminals, tankage, loading rack facilities and refinery processing units that result in minimum annual payments to HEP including UNEV (a consolidated subsidiary of HEP). Under these agreements, the agreed upon tariff rates are subject to annual tariff rate adjustments on July 1 at a rate based upon the percentage change in Producer Price Index or Federal Energy Regulatory Commission index. As of December 31, 2021, these agreements required minimum annualized payments to HEP of \$352.8 million.

Our transactions with HEP and fees paid under our transportation agreements with HEP and UNEV are eliminated and have no impact on our consolidated financial statements.

NOTE 5: Revenues

Substantially all revenue-generating activities relate to sales of refined product and excess crude oil inventories sold at market prices (variable consideration) under contracts with customers. Additionally, we have revenues attributable to HEP logistics services provided under petroleum product and crude oil pipeline transportation, processing, storage and terminalling agreements with third parties.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Disaggregated revenues were as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Revenues by type			
Refined product revenues			
Transportation fuels ⁽¹⁾	\$ 13,414,543	\$ 7,825,625	\$ 12,952,899
Specialty lubricant products ⁽²⁾	2,322,242	1,657,344	1,864,450
Asphalt, fuel oil and other products ⁽³⁾	948,581	672,371	1,025,663
Total refined product revenues	16,685,366	10,155,340	15,843,012
Excess crude oil revenues ⁽⁴⁾	1,547,696	884,248	1,470,148
Transportation and logistic services	103,646	98,039	121,027
Other revenues ⁽⁵⁾	52,434	46,016	52,391
Total sales and other revenues	\$ 18,389,142	\$ 11,183,643	\$ 17,486,578

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Refined product revenues by market			
United States			
Mid-Continent	\$ 9,094,885	\$ 5,096,268	\$ 8,424,191
Southwest	3,477,562	2,310,432	3,621,273
Rocky Mountains/Pacific Northwest	2,118,619	1,311,416	2,208,541
Northeast	824,900	552,069	578,932
Canada	836,317	616,683	721,169
Europe, Asia and Latin America	333,083	268,472	288,906
Total refined product revenues	\$ 16,685,366	\$ 10,155,340	\$ 15,843,012

(1) Transportation fuels consist of gasoline, diesel and jet fuel. For the year ended December 31, 2020, \$1.6 million is reported in our Corporate and Other segment.

(2) Specialty lubricant products consist of base oil, waxes, finished lubricants and other specialty fluids.

(3) Asphalt, fuel oil and other products revenue include revenues attributable to our Refining and Lubricants and Specialty Products segments of \$724.3 million and \$224.3 million, respectively, for the year ended December 31, 2021. For the year ended December 31, 2020 such revenues attributable to our Refining, Lubricants and Specialty Products and Corporate and Other segments were \$533.5 million, \$135.4 million and \$3.5 million respectively. For the year ended December 31, 2019 such revenue attributable to our Refining and Lubricants and Specialty Products segments were \$808.9 million and \$216.8 million, respectively.

(4) Excess crude oil revenues represent sales of purchased crude oil inventory that at times exceeds the supply needs of our refineries.

(5) Other revenues are principally attributable to our Refining segment.

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Our consolidated balance sheets reflect contract liabilities related to unearned revenues attributable to future service obligations under HEP's third-party transportation agreements and production agreements from our Sonneborn operations. The following table presents changes to contract liabilities:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Balance at January 1	\$ 6,738	\$ 4,652	\$ 132
Sonneborn acquisition	—	—	6,463
Increase	32,301	28,746	26,751
Recognized as revenue	(29,761)	(26,660)	(28,694)
Balance at December 31	<u>\$ 9,278</u>	<u>\$ 6,738</u>	<u>\$ 4,652</u>

As of December 31, 2021, we have long-term contracts with customers that specify minimum volumes of gasoline, diesel, lubricants and specialty products to be sold ratably at market prices through 2025. Such volumes are typically nominated in the month preceding delivery and delivered ratably throughout the following month. Future prices are subject to market fluctuations and therefore, we have elected the exemption to exclude variable consideration under these contracts under ASC 606-10-50-14A. Aggregate minimum volumes expected to be sold (future performance obligations) under our long-term product sales contracts with customers are as follows:

	2022	2023	2024	2025	Total
	(In thousands)				
Refined product sales volumes (barrels)	13,771	12,795	11,697	1	38,264

Additionally, HEP has long-term contracts with third-party customers that specify minimum volumes of product to be transported through its pipelines and terminals that result in fixed-minimum annual revenues through 2025. Annual minimum revenues attributable to HEP's third-party contracts as of December 31, 2021 are presented below:

	2022	2023	2024	2025	Total
	(In thousands)				
HEP contractual minimum revenues	\$ 11,770	\$ 9,676	\$ 9,676	\$ 2,681	\$ 33,803

For the year ended December 31, 2021, we had one customer, Shell, together with certain of its affiliates, that accounted for 10% or more of our total annual revenues at approximately 13%. We had no customers which had accounted for over 10% of our annual revenues for the years ended December 31, 2020 or 2019.

NOTE 6: Fair Value Measurements

Our financial instruments measured at fair value on a recurring basis consist of derivative instruments and RINs credit obligations.

Fair value measurements are derived using inputs (assumptions that market participants would use in pricing an asset or liability, including assumptions about risk). GAAP categorizes inputs used in fair value measurements into three broad levels as follows:

- (Level 1) Quoted prices in active markets for identical assets or liabilities.
- (Level 2) Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, similar assets and liabilities in markets that are not active or can be corroborated by observable market data.
- (Level 3) Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes valuation techniques that involve significant unobservable inputs.

HOLLYFRONTIER CORPORATION
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The carrying amounts of derivative instruments and RINs credit obligations were as follows:

Financial Instrument	Carrying Amount	Fair Value by Input Level		
		Level 1	Level 2	Level 3
(In thousands)				
December 31, 2021				
Assets:				
Commodity forward contracts	\$ 286	\$ —	\$ 286	\$ —
Foreign currency forward contracts	6,177	—	6,177	—
Total assets	<u>\$ 6,463</u>	<u>\$ —</u>	<u>\$ 6,463</u>	<u>\$ —</u>
Liabilities:				
NYMEX futures contracts	\$ 1,269	\$ 1,269	\$ —	\$ —
Commodity forward contracts	566	—	566	—
RINs credit obligations ⁽¹⁾	9,429	—	9,429	—
Total liabilities	<u>\$ 11,264</u>	<u>\$ 1,269</u>	<u>\$ 9,995</u>	<u>\$ —</u>

Financial Instrument	Carrying Amount	Fair Value by Input Level		
		Level 1	Level 2	Level 3
(In thousands)				
December 31, 2020				
Assets:				
Commodity forward contracts	\$ 275	\$ —	\$ 275	\$ —
Total assets	<u>\$ 275</u>	<u>\$ —</u>	<u>\$ 275</u>	<u>\$ —</u>
Liabilities:				
NYMEX futures contracts	\$ 418	\$ 418	\$ —	\$ —
Commodity price swaps	359	—	359	—
Commodity forward contracts	196	—	196	—
Foreign currency forward contracts	23,005	—	23,005	—
Total liabilities	<u>\$ 23,978</u>	<u>\$ 418</u>	<u>\$ 23,560</u>	<u>\$ —</u>

(1) Represent obligations for RINs credits for which we did not have sufficient quantities at December 31, 2021 to satisfy our Environmental Protection Agency (“EPA”) regulatory blending requirements.

Level 1 Financial Instruments

Our NYMEX futures contracts are exchange traded and are measured and recorded at fair value using quoted market prices, a Level 1 input.

Level 2 Financial Instruments

Derivative instruments consisting of foreign currency forward contracts, commodity price swaps and forward sales and purchase contracts are measured and recorded at fair value using Level 2 inputs. The fair value of the commodity price swap contracts is based on the net present value of expected future cash flows related to both variable and fixed rate legs of the respective swap agreements. The measurements are computed using market-based observable input and quoted forward commodity prices with respect to our commodity price swaps. The fair value of the forward sales and purchase contracts are computed using quoted forward commodity prices. RINs credit obligations are valued based on current market RINs prices. The fair value of foreign currency forward contracts are based on values provided by a third party, which were derived using market quotes for similar type instruments, a Level 2 input.

HOLLYFRONTIER CORPORATION
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Nonrecurring Fair Value Measurements

During the year ended December 31, 2020, we recognized goodwill and long-lived asset impairment charges based on fair value measurements utilized during our goodwill and long-lived asset impairment testing (see Note 11). The fair value measurements were based on a combination of valuation methods including discounted cash flows, the guideline public company and guideline transaction methods and obsolescence adjusted replacement costs, all of which are Level 3 inputs.

During the year ended December 31, 2020, HEP recognized a gain on sales-type leases (see Note 3). The estimated fair value of the underlying leased assets at contract inception and the present value of the estimated unguaranteed residual asset at the end of the lease term were used in determining the net investment in leases and related recognized gain on sales-type leases. The asset valuation estimates included Level 3 inputs based on a replacement cost valuation method.

NOTE 7: Earnings Per Share

Basic earnings per share is calculated as net income (loss) attributable to HollyFrontier stockholders, adjusted for participating securities' share in earnings divided by the average number of shares of common stock outstanding. Diluted earnings per share includes the incremental shares resulting from certain share-based awards. The following is a reconciliation of the denominators of the basic and diluted per share computations for net income (loss) attributable to HollyFrontier stockholders:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands, except per share data)		
Net income (loss) attributable to HollyFrontier stockholders	\$ 558,324	\$ (601,448)	\$ 772,388
Participating securities' share in earnings ⁽¹⁾	7,465	1,811	1,034
Net income (loss) attributable to common shares	<u>\$ 550,859</u>	<u>\$ (603,259)</u>	<u>\$ 771,354</u>
Average number of shares of common stock outstanding	162,569	161,983	166,287
Effect of dilutive variable restricted stock units and performance share units	—	—	1,098
Average number of shares of common stock outstanding assuming dilution	<u>162,569</u>	<u>161,983</u>	<u>167,385</u>
Basic earnings (loss) per share	<u>\$ 3.39</u>	<u>\$ (3.72)</u>	<u>\$ 4.64</u>
Diluted earnings (loss) per share	<u>\$ 3.39</u>	<u>\$ (3.72)</u>	<u>\$ 4.61</u>

- (1) Unvested restricted stock unit awards and unvested performance share units that settle in HollyFrontier common stock represent participating securities because they participate in nonforfeitable dividends or distributions with the common stockholders of HollyFrontier. Participating earnings represent the distributed and undistributed earnings of HollyFrontier attributable to the participating securities. Unvested restricted stock unit awards and performance share units do not participate in undistributed net losses as they are not contractually obligated to do so.

HOLLYFRONTIER CORPORATION
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NOTE 8: Stock-Based Compensation

We have a principal share-based compensation plan (the “2020 Long-Term Incentive Plan”) that provides for the grant of unrestricted and restricted stock, restricted stock units, other stock based awards, stock options, performance awards, substitute awards, cash awards and stock appreciation rights. Subject to adjustment for certain events, an aggregate of 6,019,255 of these awards may be issued pursuant to awards granted under the 2020 Long-Term Incentive Plan. We also have a long-term incentive compensation plan which expired pursuant to its terms on December 31, 2020, but continues to govern outstanding equity awards granted thereunder and the plan will be terminated following the settlement of all outstanding awards granted thereunder. Our accounting policy for the recognition of compensation expense for awards with pro-rata vesting is to expense the costs ratably over the vesting periods. Share-based awards paid in cash upon vesting are accounted for as liability awards and recorded at fair value at the end of each reporting period with a mark-to-mark adjustment recognized in earnings.

In July 2021, we adopted a stock compensation deferral plan which allows non-employee directors to defer settlement of vested stock granted under our share-based compensation plan. This plan was effective October 1, 2021.

The compensation expense and associated tax benefit were as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Compensation expense:			
Restricted stock units	\$ 29,453	\$ 23,539	\$ 26,833
Performance stock units	12,591	6,130	14,679
Total compensation expense	\$ 42,044	\$ 29,669	\$ 41,512
Tax benefit recognized on compensation expense	\$ 10,545	\$ 3,965	\$ 13,253

Additionally, HEP maintains a share-based compensation plan for Holly Logistic Services, L.L.C.'s non-employee directors and certain executives and employees. Compensation cost attributable to HEP’s share-based compensation plan was \$2.6 million, \$2.2 million and \$2.5 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Restricted Stock Units

Under our long-term incentive plan, we grant certain officers and other key employees restricted stock unit awards, which are payable in stock or cash and generally vest over a period of three years. Restricted stock unit award recipients have the right to receive dividends, however, restricted stock units do not have any other rights of absolute ownership. Upon vesting, restrictions on the restricted stock units lapse at which time they convert to common shares or cash. In addition, we grant non-employee directors restricted stock unit awards, which typically vest over a period of one year and are payable in stock. The fair value of each restricted stock unit award is measured based on the grant date market price of our common shares and is amortized over the respective vesting period. We account for forfeitures on an estimated basis.

A summary of restricted stock unit activity during the year ended December 31, 2021 is presented below:

Restricted Stock Units	Grants	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2021	2,057,045	\$ 29.76
Granted	564,146	\$ 33.95
Vested	(840,648)	\$ 33.76
Forfeited	(176,003)	\$ 29.98
Outstanding at December 31, 2021	1,604,540	\$ 29.11

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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For the years ended December 31, 2021, 2020 and 2019, restricted stock and restricted stock units vested having a grant date fair value of \$28.4 million, \$28.2 million and \$30.9 million, respectively. For the years ended December 31, 2020 and 2019, we granted restricted stock units having a weighted average grant date fair value of \$22.20 and \$52.62, respectively. As of December 31, 2021, there was \$29.7 million of total unrecognized compensation cost related to non-vested restricted stock unit grants. That cost is expected to be recognized over a weighted-average period of 1.6 years. For the years ended December 31, 2021, 2020 and 2019, we paid \$3.4 million, \$1.3 million and \$1.7 million, respectively, in cash equal to the value of the stock award on the vest date to certain employees to settle 105,459, 55,222 and 32,648, respectively, restricted stock units.

Performance Share Units

Under our long-term incentive plan, we grant certain officers and other key employees performance share units, which are payable in stock or cash upon meeting certain criteria over the service period, and generally vest over a period of three years. Under the terms of our performance share unit grants, awards are subject to “financial performance” and “market performance” criteria. Financial performance is based on our financial performance compared to a peer group of independent refining companies, while market performance is based on the relative standing of total shareholder return achieved by HollyFrontier compared to peer group companies. The number of shares ultimately issued or cash paid under these awards can range from zero to 200% of target award amounts. Holders of performance share units have the right to receive dividend equivalents and other distributions with respect to such performance share units based on the target level of payout.

A summary of performance share unit activity and changes during the year ended December 31, 2021 is presented below:

Performance Share Units	Grants	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2021	635,204	\$ 35.45
Granted	320,717	\$ 38.50
Vested	(53,145)	\$ 84.35
Forfeited	(38,150)	\$ 37.27
Outstanding at December 31, 2021	<u>864,626</u>	<u>\$ 33.49</u>

For the year ended December 31, 2021, we issued 67,846 shares of common stock, representing a 125% payout on vested performance share units having a grant date fair value of \$4.5 million. For the years ended December 31, 2020 and 2019, we issued common stock upon the vesting of the performance share units having a grant date fair value of \$6.2 million and \$7.3 million, respectively. As of December 31, 2021, there was \$23.1 million of total unrecognized compensation cost related to non-vested performance share units. That cost is expected to be recognized over a weighted-average period of 2.1 years.

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NOTE 9: Inventories

Inventory consists of the following components:

	December 31,	
	2021	2020
	(In thousands)	
Crude oil	\$ 630,873	\$ 451,967
Other raw materials and unfinished products ⁽¹⁾	530,067	260,495
Finished products ⁽²⁾	726,930	595,696
Lower of cost or market reserve	(8,739)	(318,862)
Process chemicals ⁽³⁾	43,025	35,006
Repairs and maintenance supplies and other ⁽⁴⁾	199,972	149,174
Total inventory	\$ 2,122,128	\$ 1,173,476

- (1) Other raw materials and unfinished products include feedstocks and blendstocks, other than crude.
- (2) Finished products include gasolines, jet fuels, diesels, lubricants, asphalts, LPG's and residual fuels.
- (3) Process chemicals include additives and other chemicals.
- (4) Includes RINs

Our inventories that are valued at the lower of LIFO cost or market reflect a valuation reserve of \$318.9 million at December 31, 2020. The December 31, 2020 market reserve of \$318.9 million was reversed due to the sale of inventory quantities that gave rise to the 2020 reserve. The effect of the change in the lower of cost or market reserve was a decrease to cost of products sold totaling \$310.1 million for the year ended December 31, 2021, an increase of \$78.5 million for the year ended December 31, 2020 and a decrease of \$119.8 million for the year ended December 31, 2019.

At December 31, 2021, the replacement cost of our refining inventories exceeded the LIFO carrying value. The excess of replacement cost over the LIFO value of inventory was \$111.1 million at December 31, 2021. For the year ended December 31, 2020, we recognized a charge of \$36.9 million to cost of products sold as we liquidated certain quantities of LIFO inventory at our Cheyenne Refinery that were carried at historical acquisition costs above market prices at the time of liquidation.

In the fourth quarter of 2021, we built renewable feedstock inventory in connection with our Cheyenne renewable diesel unit and as of December 31, 2021, the market value was below the LIFO carrying value. As a result, we recorded a lower of cost or market inventory valuation reserve of \$8.7 million.

During the three months ended September 30, 2019, the EPA granted the Cheyenne Refinery and the Woods Cross Refinery each a one-year small refinery exemption from the Renewable Fuel Standard ("RFS") program requirements for the 2018 calendar year end. As a result, the Cheyenne Refinery's and the Woods Cross Refinery's gasoline and diesel production are not subject to the Renewable Volume Obligation ("RVO") for 2018. In the third quarter of 2019, we increased our inventory of RINs and reduced our cost of products sold by \$36.6 million representing the net cost of the RINs charge to cost of products sold in 2018, less the loss incurred for selling 2018 vintage RINs in excess of those which we can use subject to the 20% carryover limit.

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NOTE 10: Properties, Plants and Equipment

The components of properties, plants and equipment are as follows:

	December 31,	
	2021	2020
	(In thousands)	
Land, buildings and improvements	\$ 607,554	\$ 517,829
Refining facilities	4,839,926	4,202,524
Pipelines and terminals	1,956,008	1,786,279
Transportation vehicles	27,809	26,715
Other fixed assets	306,606	400,159
Construction in progress	710,304	366,011
	<u>8,448,207</u>	<u>7,299,517</u>
Accumulated depreciation	(3,033,353)	(2,726,378)
	<u>\$ 5,414,854</u>	<u>\$ 4,573,139</u>

We capitalized interest attributable to construction projects of \$15.2 million, \$4.1 million and \$2.5 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Depreciation expense was \$329.4 million, \$333.0 million and \$334.2 million for the years ended December 31, 2021, 2020 and 2019, respectively.

NOTE 11: Goodwill, Long-lived Assets and Intangibles

Goodwill and long-lived assets

As of December 31, 2021, our goodwill balance was \$2.3 billion. The carrying amount of our goodwill may fluctuate from period to period due to the effects of foreign currency translation adjustments on goodwill assigned to our Lubricants and Specialty Products segment.

The following is a summary of our goodwill by segment:

	Lubricants and Specialty Products			
	Refining	Lubricants and Specialty Products	HEP	Total
	(In thousands)			
Balance at December 31, 2020	\$ 1,733,472	\$ 247,590	\$ 312,873	\$ 2,293,935
Foreign currency translation adjustment	—	(891)	—	(891)
Balance at December 31, 2021	<u>\$ 1,733,472</u>	<u>\$ 246,699</u>	<u>\$ 312,873</u>	<u>\$ 2,293,044</u>
Balance at December 31, 2021				
Goodwill	\$ 2,042,790	\$ 481,278	\$ 312,873	\$ 2,836,941
Accumulated impairment losses	(309,318)	(234,579)	—	(543,897)
	<u>\$ 1,733,472</u>	<u>\$ 246,699</u>	<u>\$ 312,873</u>	<u>\$ 2,293,044</u>

We performed our annual goodwill impairment testing quantitatively as of July 1, 2021 and determined there was no impairment of goodwill attributable to our reporting units. Additionally, there was no impairment of long-lived assets during the years ended December 31, 2021 and 2019. See below for discussion of our goodwill impairments recognized in 2020 and 2019 and long-lived assets impairment recognized in 2020.

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During the second quarter of 2020, we determined that indicators of potential goodwill and long-lived asset impairments were present and performed recoverability testing for long-lived assets and an interim test for goodwill impairment as of May 31, 2020. Impairment indicators included the recent economic slowdown caused by the COVID-19 pandemic, reductions in the prices of our finished goods and raw materials and the related decrease in our gross margins, as well as the recent decline in our market capitalization. Additionally, our second quarter 2020 announcement of the planned conversion of our Cheyenne Refinery to renewable diesel production was also considered a triggering event requiring assessment of potential impairments to the carrying value of our Cheyenne Refinery asset group. As a result of our long-lived asset recoverability testing, we determined that the carrying value of the long-lived assets of our Cheyenne Refinery and PCLI asset groups were not recoverable, and thus recorded long-lived asset impairment charges of \$232.2 million and \$204.7 million, respectively, in the second quarter of 2020. Our interim goodwill impairment testing indicated that there was no impairment of goodwill at our Refining and Lubricants and Specialty Products reporting units as of May 31, 2020. The estimated fair values of the Cheyenne Refinery and PCLI asset groups were determined using a combination of the income and cost approaches. The income approach was based on management's best estimates of the expected future cash flows over the remaining useful life of the asset group. The cost approach utilized assumptions for the current replacement costs of similar assets adjusted for estimated depreciation and economic obsolescence. These fair value measurements involve significant unobservable inputs (Level 3 inputs). See Note 6 for further discussion of Level 3 inputs.

During the fourth quarter of 2020, we incurred long-lived asset impairment charges of \$26.5 million for construction-in-progress, consisting primarily of engineering work for potential upgrades to certain processing units at our Tulsa and El Dorado Refineries. During the fourth quarter of 2020, we concluded not to pursue these projects in light of recent economic and market conditions.

Additionally, in the fourth quarter of 2020, our annual budgeting process identified downward forecast revisions specific to the Sonneborn reporting unit within our Lubricants and Specialty Products segment; largely from declines in gross margin as compared to historic levels and an increase in forecasted capital expenditures. As such, we concluded it was more likely than not that the carrying value of the Sonneborn reporting unit exceeded its fair value, and we performed an interim quantitative test for goodwill impairment as of December 1, 2020. As a result of our impairment testing, we recognized a goodwill impairment charge of \$81.9 million during the fourth quarter of 2020 for the Sonneborn reporting unit. No other reporting units required an interim impairment test during the fourth quarter of 2020.

During the year ended December 31, 2019, we recorded a goodwill impairment charge of \$152.7 million to fully impair the goodwill of the PCLI reporting unit included in our Lubricants and Specialty Products segment.

The estimated fair values of our reporting units tested quantitatively were derived using a combination of income and market approaches. The income approach reflects expected future cash flows based on estimated forecasted production levels, selling prices, gross margins, operating costs and capital expenditures. Our market approaches include both the guideline public company and guideline transaction methods. Both methods utilize pricing multiples derived from historical market transactions of other like kind assets. These fair value measurements involve significant unobservable inputs (Level 3 inputs). See Note 6 for further discussion of Level 3 inputs.

A reasonable expectation exists that further deterioration in our operating results or overall economic conditions could result in an impairment of goodwill and / or additional long-lived assets impairments at some point in the future. Future impairment charges could be material to our results of operations and financial condition.

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Intangibles

The carrying amounts of our intangible assets presented in “Intangibles and other” on our consolidated balance sheets are as follows:

	Useful Life	December 31	
		2021	2020
		(In thousands)	
Customer relationships	10 - 20 years	\$ 237,856	\$ 239,773
Transportation agreements	30 years	59,933	59,933
Trademarks, patents and other	10 - 20 years	157,392	157,120
		455,181	456,826
Accumulated amortization		(156,123)	(122,024)
Total intangibles, net		<u>\$ 299,058</u>	<u>\$ 334,802</u>

Amortization expense was \$35.6 million, \$34.1 million and \$33.8 million for the years ended December 31, 2021, 2020 and 2019, respectively and expected to approximate \$34.4 million for each of the next five years.

NOTE 12: Environmental

We expensed \$7.8 million, \$7.1 million and \$11.2 million for the years ended December 31, 2021, 2020 and 2019, respectively, for environmental remediation obligations. The accrued environmental liability reflected on our consolidated balance sheets was \$117.2 million and \$115.0 million at December 31, 2021 and 2020, respectively, of which \$99.1 million and \$94.0 million, respectively, were classified as other long-term liabilities. These accruals include remediation and monitoring costs expected to be incurred over an extended period of time (up to 30 years for certain projects). Estimated liabilities could increase in the future when the results of ongoing investigations become known, are considered probable and can be reasonably estimated.

NOTE 13: Debt

HollyFrontier Credit Agreement

On April 30, 2021, we amended our \$1.35 billion senior unsecured revolving credit facility to extend the maturity date to April 30, 2026 (the “HollyFrontier Credit Agreement”). On December 27, 2021, the HollyFrontier Credit Agreement was further amended to provide an alternative reference rate for loans denominated in Euros and Sterling and to further supplement the reference rate replacement procedures for loans denominated in U.S. dollars following the anticipated cessation of LIBOR. The HollyFrontier Credit Agreement may be used for revolving credit loans and letters of credit from time to time and is available to fund general corporate purposes. At December 31, 2021, we were in compliance with all covenants, had no outstanding borrowings and had outstanding letters of credit totaling \$2.3 million under the HollyFrontier Credit Agreement.

Indebtedness under the HollyFrontier Credit Agreement bears interest, at our option, at either (a) the alternate base rate (as defined in the HollyFrontier Credit Agreement) plus an applicable margin (ranging from 0.25% - 1.125%), (b) the LIBO Rate (as defined in the HollyFrontier Credit Agreement) plus an applicable margin (ranging from 1.25% to 2.125%), or c) the CDOR Rate (as defined in the HollyFrontier Credit Agreement) plus an applicable margin (ranging from 1.25% to 2.125%) for Canadian dollar denominated borrowings.

HEP Credit Agreement

On April 30, 2021, HEP amended its \$1.4 billion senior secured revolving credit facility decreasing the commitments under the facility to \$1.2 billion and extending the maturity to July 27, 2025 (the “HEP Credit Agreement”). The HEP Credit Agreement is available to fund capital expenditures, investments, acquisitions, distribution payments, working capital and for general partnership purposes. It is also available to fund letters of credit up to a \$50 million sub-limit and continues to provide for an accordion feature that allows HEP to increase the commitments under the HEP Credit Agreement up to a maximum amount of \$1.7 billion. At December 31, 2021, HEP was in compliance with all of its covenants, had outstanding borrowings of \$840.0 million and no outstanding letters of credit under the HEP Credit Agreement.

HOLLYFRONTIER CORPORATION
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Prior to the Investment Grade Date (as defined in the HEP Credit Agreement), indebtedness under the HEP Credit Agreement bears interest, at HEP's option, at either (a) the alternate base rate (as defined in the HEP Credit Agreement) plus an applicable margin or (b) the Eurodollar Rate (as defined in the HEP Credit Agreement) plus an applicable margin. In each case, the applicable margin is based upon HEP's Total Leverage Ratio (as defined in the HEP Credit Agreement). The weighted average interest rate in effect under the HEP Credit Agreement on HEP's borrowings was 2.35% and 2.58% as of December 31, 2021 and 2020, respectively.

HEP's obligations under the HEP Credit Agreement are collateralized by substantially all of HEP's assets and are guaranteed by HEP's material wholly-owned subsidiaries. Any recourse to the general partner would be limited to the extent of HEP Logistics Holdings, L.P.'s assets, which other than its investment in HEP are not significant. HEP's creditors have no recourse to our other assets. Furthermore, our creditors have no recourse to the assets of HEP and its consolidated subsidiaries.

HollyFrontier Senior Notes

In September 2020, we completed a public offering of \$350.0 million in aggregate principal amount of 2.625% senior notes maturing October 2023 (the "2.625% Senior Notes") and \$400.0 million in aggregate principal amount of 4.500% senior notes maturing October 2030 (the "4.500% Senior Notes").

As a result, as of December 31, 2021, our outstanding senior notes consist of \$1.0 billion in aggregate principal amount of 5.875% senior notes maturing April 2026 (the "5.875% Senior Notes"), the 2.625% Senior Notes and the 4.500% Senior Notes (collectively, the "HollyFrontier Senior Notes"). The HollyFrontier Senior Notes are unsecured and unsubordinated obligations of ours and rank equally with all our other existing and future unsecured and unsubordinated indebtedness.

HollyFrontier Financing Arrangements

Certain of our wholly owned subsidiaries entered into financing arrangements whereby such subsidiaries sold a portion of their precious metals catalyst to a financial institution and then leased back the precious metals catalyst in exchange for cash. The volume of the precious metals catalyst and the lease rate are fixed over the term of each lease, and the lease payments are recorded as interest expense. The current leases mature in one year or less. Upon maturity, we must either satisfy the obligation at fair market value or refinance to extend the maturity. These financing arrangements are recorded at a Level 2 fair value totaling \$37.4 million and \$43.9 million at December 31, 2021 and 2020, respectively, and are included in "Accrued liabilities" on our consolidated balance sheets. See Note 6 for additional information on Level 2 inputs.

HEP Senior Notes

In February 2020, HEP closed a private placement of \$500.0 million in aggregate principal amount of 5.0% HEP senior unsecured notes maturing in February 2028 (the "HEP Senior Notes"). Subsequently, in February 2020, HEP redeemed its existing \$500.0 million aggregate principal amount of 6.0% senior notes maturing August 2024 at a redemption cost of \$522.5 million. HEP recognized a \$25.9 million early extinguishment loss consisting of a \$22.5 million debt redemption premium and unamortized discount and financing costs of \$3.4 million.

The HEP Senior Notes are unsecured and impose certain restrictive covenants, including limitations on HEP's ability to incur additional indebtedness, make investments, sell assets, incur certain liens, pay distributions, enter into transactions with affiliates, and enter into mergers. HEP was in compliance with the restrictive covenants for the HEP Senior Notes as of December 31, 2021. At any time when the HEP Senior Notes are rated investment grade by either Moody's or Standard & Poor's and no default or event of default exists, HEP will not be subject to many of the foregoing covenants. Additionally, HEP has certain redemption rights under the HEP Senior Notes.

Indebtedness under the HEP Senior Notes is guaranteed by HEP's wholly-owned subsidiaries. HEP's creditors have no recourse to our assets. Furthermore, our creditors have no recourse to the assets of HEP and its consolidated subsidiaries.

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The carrying amounts of long-term debt are as follows:

	December 31,	
	2021	2020
	(In thousands)	
HollyFrontier		
2.625% Senior Notes	\$ 350,000	\$ 350,000
5.875% Senior Notes	1,000,000	1,000,000
4.500% Senior Notes	400,000	400,000
	<u>1,750,000</u>	<u>1,750,000</u>
Unamortized discount and debt issuance costs	(10,312)	(12,885)
Total HollyFrontier long-term debt	<u>1,739,688</u>	<u>1,737,115</u>
HEP Credit Agreement	840,000	913,500
HEP 5.000% Senior Notes		
Principal	500,000	500,000
Unamortized discount and debt issuance costs	(6,951)	(7,897)
Total HEP long-term debt	<u>1,333,049</u>	<u>1,405,603</u>
Total long-term debt	<u>\$ 3,072,737</u>	<u>\$ 3,142,718</u>

The fair values of the senior notes are as follows:

	December 31,	
	2021	2020
	(In thousands)	
HollyFrontier Senior Notes	\$ 1,912,753	\$ 1,903,867
HEP Senior Notes	\$ 502,705	\$ 506,540

These fair values are based on a Level 2 input. See Note 6 for additional information on Level 2 inputs.

Principal maturities of long-term debt as of December 31, 2021 are as follows:

Years Ending December 31,	(In thousands)
2022	\$ —
2023	350,000
2024	—
2025	840,000
2026	1,000,000
Thereafter	900,000
Total	<u>\$ 3,090,000</u>

HOLLYFRONTIER CORPORATION
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NOTE 14: Derivative Instruments and Hedging Activities

Commodity Price Risk Management

Our primary market risk is commodity price risk. We are exposed to market risks related to the volatility in crude oil and refined products, as well as volatility in the price of natural gas used in our refining operations. We periodically enter into derivative contracts in the form of commodity price swaps, forward purchase and sales and futures contracts to mitigate price exposure with respect to our inventory positions, natural gas purchases, sales prices of refined products and crude oil costs.

Foreign Currency Risk Management

We are exposed to market risk related to the volatility in foreign currency exchange rates. We periodically enter into derivative contracts in the form of foreign exchange forward contracts to mitigate the exposure associated with fluctuations on intercompany notes with our foreign subsidiaries that are not denominated in the U.S. dollar.

Accounting Hedges

We had swap contracts serving as cash flow hedges against price risk on forecasted purchases of natural gas that matured as of December 31, 2021. We also periodically have swap contracts to lock in basis spread differentials on forecasted purchases of crude oil and forward sales contracts that lock in the prices of future sales of crude oil and refined product. These contracts have been designated as accounting hedges and are measured at fair value with offsetting adjustments (gains / losses) recorded directly to other comprehensive income. These fair value adjustments are later reclassified to earnings as the hedging instruments mature.

The following table presents the pre-tax effect on other comprehensive income (“OCI”) and earnings due to fair value adjustments and maturities of hedging instruments under hedge accounting:

Derivatives Designated as Cash Flow Hedging Instruments	Net Unrealized Gain (Loss) Recognized in OCI			Statement of Operations Location	Gain (Loss) Reclassified into Earnings		
	Years Ended December 31,				Years Ended December 31,		
	2021	2020	2019		2021	2020	2019
	(In thousands)						
Commodity contracts	\$ 31	\$ (4,871)	\$ (5,349)	Sales and other revenues	\$ (19,239)	\$ (5,168)	\$ (1,799)
				Cost of products sold	—	4,281	22,876
				Operating expenses	1,660	(1,717)	(1,364)
Total	<u>\$ 31</u>	<u>\$ (4,871)</u>	<u>\$ (5,349)</u>		<u>\$ (17,579)</u>	<u>\$ (2,604)</u>	<u>\$ 19,713</u>

Economic Hedges

We have commodity contracts including NYMEX futures contracts to lock in prices on forecasted purchases and sales of inventory and forward purchase and sell contracts, as well as periodically have contracts to lock in basis spread differentials on forecasted purchases of crude oil and swap contracts to lock in the crack spread of WTI and gasoline, that serve as economic hedges (derivatives used for risk management, but not designated as accounting hedges). We also have forward currency contracts to fix the rate of foreign currency. In addition, our catalyst financing arrangements discussed in Note 13 could require repayment under certain conditions based on the future pricing of platinum, which is an embedded derivative. These contracts are measured at fair value with offsetting adjustments (gains / losses) recorded directly to earnings.

The following table presents the pre-tax effect on earnings due to maturities and fair value adjustments of our economic hedges:

Derivatives Not Designated as Hedging Instruments	Statement of Operations Location	Gain (Loss) Recognized in Earnings		
		Years Ended December 31,		
		2021	2020	2019
		(In thousands)		
Commodity contracts	Cost of products sold	\$ (22,909)	\$ 18,646	\$ (8,475)
	Interest expense	11,816	(4,250)	(6,427)
Foreign currency contracts	Gain (loss) on foreign currency transactions	(4,013)	(7,300)	(17,430)
	Total	<u>\$ (15,106)</u>	<u>\$ 7,096</u>	<u>\$ (32,332)</u>

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As of December 31, 2021, we have the following notional contract volumes related to outstanding derivative instruments (all maturing in 2022):

	Total Outstanding Notional	Unit of Measure
<i>Derivatives designated as hedging instruments:</i>		
Forward crude oil contracts - short	70,000	Barrels
<i>Derivatives not designated as hedging instruments:</i>		
NYMEX futures (WTI) - short	495,000	Barrels
Forward gasoline contracts - long	40,000	Barrels
Foreign currency forward contracts	450,686,305	U. S. dollar
Forward commodity contracts (platinum)	38,723	Troy ounces

The following table presents the fair value and balance sheet locations of our outstanding derivative instruments. These amounts are presented on a gross basis with offsetting balances that reconcile to a net asset or liability position on our consolidated balance sheets. We present on a net basis to reflect the net settlement of these positions in accordance with provisions of our master netting arrangements.

	Derivatives in Net Asset Position			Derivatives in Net Liability Position		
	Gross Assets	Gross Liabilities Offset in Balance Sheet	Net Assets Recognized in Balance Sheet	Gross Liabilities	Gross Assets Offset in Balance Sheet	Net Liabilities Recognized in Balance Sheet
(In thousands)						
December 31, 2021						
<i>Derivatives designated as cash flow hedging instruments:</i>						
Commodity forward contracts	\$ —	\$ —	\$ —	\$ 238	\$ —	\$ 238
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 238</u>	<u>\$ —</u>	<u>\$ 238</u>
<i>Derivatives not designated as cash flow hedging instruments:</i>						
NYMEX futures contracts	\$ —	\$ —	\$ —	\$ 1,269	\$ —	\$ 1,269
Commodity forward contracts	286	—	286	328	—	328
Foreign currency forward contracts	7,494	(1,317)	6,177	—	—	—
	<u>\$ 7,780</u>	<u>\$ (1,317)</u>	<u>\$ 6,463</u>	<u>\$ 1,597</u>	<u>\$ —</u>	<u>\$ 1,597</u>
Total net balance			<u>\$ 6,463</u>			<u>\$ 1,835</u>
Balance sheet classification:	Prepayment and other		<u>\$ 6,463</u>	Accrued liabilities		<u>\$ 1,835</u>

HOLLYFRONTIER CORPORATION
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	Derivatives in Net Asset Position			Derivatives in Net Liability Position		
	Gross Assets	Gross Liabilities Offset in Balance Sheet	Net Assets Recognized in Balance Sheet	Gross Liabilities	Gross Assets Offset in Balance Sheet	Net Liabilities Recognized in Balance Sheet
(In thousands)						
December 31, 2020						
<i>Derivatives designated as cash flow hedging instruments:</i>						
Commodity price swap contracts	\$ —	\$ —	\$ —	\$ 359	\$ —	\$ 359
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 359</u>	<u>\$ —</u>	<u>\$ 359</u>
<i>Derivatives not designated as cash flow hedging instruments:</i>						
NYMEX futures contracts	\$ —	\$ —	\$ —	\$ 418	\$ —	\$ 418
Commodity forward contracts	275	—	275	196	—	196
Foreign currency forward contracts	—	—	—	23,005	—	23,005
	<u>\$ 275</u>	<u>\$ —</u>	<u>\$ 275</u>	<u>\$ 23,619</u>	<u>\$ —</u>	<u>\$ 23,619</u>
Total net balance			<u>\$ 275</u>			<u>\$ 23,978</u>
Balance sheet classification:	Prepayments and other		<u>\$ 275</u>	Accrued liabilities		<u>\$ 23,978</u>

At December 31, 2021, we had a pre-tax net unrealized loss of \$0.3 million classified in accumulated other comprehensive income that relates to all accounting hedges having contractual maturities through 2022, which, assuming commodity prices remain unchanged, will be effectively transferred from accumulated other comprehensive income into the statement of operations as the hedging instruments contractually mature over the next three-month period.

NOTE 15: Income Taxes

The provision for income taxes is comprised of the following:

	Years Ended December 31,		
	2021	2020	2019
(In thousands)			
Current			
Federal	\$ (33,206)	\$ (59,452)	\$ 187,134
State	(1,802)	(5,391)	29,547
Foreign	30,336	9,423	3,805
Deferred			
Federal	94,353	(64,836)	77,916
State	1,386	(52,872)	26,073
Foreign	32,831	(59,019)	(25,323)
	<u>\$ 123,898</u>	<u>\$ (232,147)</u>	<u>\$ 299,152</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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The statutory federal income tax rate applied to pre-tax book income reconciles to income tax expense (benefit) as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Tax computed at statutory rate	\$ 165,302	\$ (156,880)	\$ 246,013
State income taxes, net of federal tax benefit	13,588	(41,566)	47,259
Noncontrolling interest in net income	(25,931)	(21,799)	(25,494)
Effect of change in state rate	(13,342)	—	—
CARES Act benefits	(10,384)	(19,837)	—
Foreign rate differential	331	(14,294)	—
Federal tax credits	(29,777)	—	—
US tax on non-US operations	18,547	—	—
Effect of nondeductible goodwill impairment charge	—	16,573	32,069
Other	5,564	5,656	(695)
	<u>\$ 123,898</u>	<u>\$ (232,147)</u>	<u>\$ 299,152</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Our deferred income tax assets and liabilities as of December 31, 2021 and 2020 are as follows:

	December 31, 2021		
	Assets	Liabilities	Total
	(In thousands)		
Deferred income taxes			
Properties, plants and equipment (due primarily to tax in excess of book depreciation)	\$ —	\$ (741,970)	\$ (741,970)
Lease obligation	131,567	—	131,567
Accrued employee benefits	17,322	—	17,322
Accrued post-retirement benefits	10,897	—	10,897
Accrued environmental costs	26,999	—	26,999
Hedging instruments	—	(652)	(652)
Inventory differences	—	(148,539)	(148,539)
Deferred turnaround costs	—	(100,585)	(100,585)
Net operating loss and tax credit carryforwards	63,967	—	63,967
Investment in HEP	—	(94,486)	(94,486)
Valuation allowance	—	(3,165)	(3,165)
Other	1,244	—	1,244
Total	<u>\$ 251,996</u>	<u>\$ (1,089,397)</u>	<u>\$ (837,401)</u>

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	December 31, 2020		
	Assets	Liabilities	Total
	(In thousands)		
Deferred income taxes			
Properties, plants and equipment (due primarily to tax in excess of book depreciation)	\$ —	\$ (712,339)	\$ (712,339)
Lease obligation	94,447	—	94,447
Accrued employee benefits	21,819	—	21,819
Accrued post-retirement benefits	11,646	—	11,646
Accrued environmental costs	27,200	—	27,200
Hedging instruments	—	(903)	(903)
Inventory differences	—	(24,271)	(24,271)
Deferred turnaround costs	—	(85,326)	(85,326)
Net operating loss and tax credit carryforwards	51,227	—	51,227
Investment in HEP	—	(94,982)	(94,982)
Valuation allowance	—	(8,577)	(8,577)
Other	6,356	—	6,356
Total	\$ 212,695	\$ (926,398)	\$ (713,703)

We have federal income tax credits of \$16.9 million that can be carried forward 20 years and state income tax credits of \$24.4 million that can be carried forward at least 16 years. We also have tax benefits attributable to net operating losses of \$16.0 million in Luxembourg that can be carried forward 16 years which will begin expiring in 2034. We have reflected a valuation allowance of \$3.2 million in 2021 and \$8.6 million in 2020 with respect to net operating carryforwards that primarily relate to losses in Luxembourg. Additionally, we have tax benefits attributable to net operating loss carryforwards of \$10.9 million for state income tax purposes with various carryforward periods of 10 years or longer.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Balance at January 1	\$ 54,899	\$ 56,621	\$ 53,752
Additions for tax positions of prior years	—	6	2,893
Reductions for tax positions of prior years	(49)	(1,500)	(24)
Settlements	(125)	—	—
Lapse of statute of limitations	(120)	(228)	—
Balance at December 31	\$ 54,605	\$ 54,899	\$ 56,621

At December 31, 2021, 2020 and 2019, there were \$54.6 million, \$54.9 million, and \$56.6 million, respectively, of unrecognized tax benefits that, if recognized, would affect our effective tax rate. Unrecognized tax benefits are adjusted in the period in which new information about a tax position becomes available or the final outcome differs from the amount recorded.

Approximately \$53.7 million of the unrecognized tax benefits relates to claims filed with the IRS on the federal income tax treatment of refundable biodiesel/ethanol blending tax credits for certain prior years. The issues related to the claims are complex and uncertain, and we cannot conclude that it is more likely than not that we will sustain the claims. Therefore, no tax benefit has been recognized for the filed claims. During the next 12 months, it is reasonably possible that an ultimate resolution regarding these claims could reduce unrecognized tax benefits (due to possible court rulings in favor of the IRS).

We recognize interest and penalties relating to liabilities for unrecognized tax benefits as an element of tax expense. We have not recorded any penalties related to our uncertain tax positions as we believe that it is more likely than not that there will not be any assessment of penalties.

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We are subject to U.S. and Canadian federal income tax, Oklahoma, Kansas, New Mexico, Iowa, Arizona, Utah, Colorado and Nebraska income tax and to income tax of multiple other state jurisdictions. We have substantially concluded all state and local income tax matters for tax years through 2017. Other than the federal claim noted above, we have materially concluded all U.S. federal income tax matters for tax years through December 31, 2017.

NOTE 16: Stockholders' Equity

Shares of our common stock outstanding and activity for the years ended December 31, 2021, 2020 and 2019 are presented below:

	Years Ended December 31,		
	2021	2020	2019
Common shares outstanding at January 1	162,413,660	161,846,525	172,121,491
Vesting of performance units	67,846	296,801	592,602
Vesting of restricted stock and restricted stock units	737,091	553,381	412,465
Forfeitures of restricted stock	—	—	(13,807)
Purchase of treasury stock ⁽¹⁾	(217,151)	(283,047)	(11,266,226)
Common shares outstanding at December 31	<u>163,001,446</u>	<u>162,413,660</u>	<u>161,846,525</u>

(1) Includes 217,151, 283,047 and 415,466 shares, respectively, withheld under the terms of stock-based compensation agreements to provide funds for the payment of payroll and income taxes due at the vesting of share-based awards, as well as other stock repurchases under separate authority from our Board of Directors.

In November 2019, our Board of Directors approved a \$1.0 billion share repurchase program, which replaced all existing share repurchase programs authorizing us to repurchase common stock in the open market or through privately negotiated transactions. The timing and amount of stock repurchases will depend on market conditions and corporate, regulatory and other relevant considerations. This program may be discontinued at any time by our Board of Directors. As of December 31, 2021, we had not repurchased common stock under this stock repurchase program, and we do not intend to repurchase common stock under this program until completion of our ongoing renewables capital projects and completion of the Sinclair Transactions. In addition, we are authorized by our Board of Directors to repurchase shares in an amount sufficient to offset shares issued under our compensation programs.

During the years ended December 31, 2021, 2020 and 2019, we withheld shares of our common stock from certain employees in the amounts of \$7.1 million, \$7.6 million and \$21.9 million, respectively. These withholdings were made under the terms of restricted stock unit and performance share unit agreements upon vesting, at which time, we concurrently made cash payments to fund payroll and income taxes on behalf of officers and employees who elected to have shares withheld from vested amounts to pay such taxes.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

NOTE 17: Other Comprehensive Income (Loss)

The components and allocated tax effects of other comprehensive income are as follows:

	<u>Before-Tax</u>	<u>Tax Expense (Benefit)</u>	<u>After-Tax</u>
	(In thousands)		
Year Ended December 31, 2021			
Net change in foreign currency translation adjustment	\$ (13,336)	\$ (2,793)	\$ (10,543)
Net unrealized gain on hedging instruments	31	8	23
Net change in pension and other post-retirement benefit obligations	(457)	(186)	(271)
Other comprehensive loss attributable to HollyFrontier stockholders	<u>\$ (13,762)</u>	<u>\$ (2,971)</u>	<u>\$ (10,791)</u>
Year Ended December 31, 2020			
Net change in foreign currency translation adjustment	\$ 6,226	\$ 1,357	\$ 4,869
Net unrealized loss on hedging instruments	(4,871)	(1,228)	(3,643)
Net change in pension and other post-retirement benefit obligations	(3,461)	(923)	(2,538)
Other comprehensive loss attributable to HollyFrontier stockholders	<u>\$ (2,106)</u>	<u>\$ (794)</u>	<u>\$ (1,312)</u>
Year Ended December 31, 2019			
Net change in foreign currency translation adjustment	\$ 13,337	\$ 2,848	\$ 10,489
Net unrealized loss on hedging instruments	(5,349)	(1,365)	(3,984)
Net change in pension and other post-retirement benefit obligations	(7,207)	(1,853)	(5,354)
Other comprehensive income attributable to HollyFrontier stockholders	<u>\$ 781</u>	<u>\$ (370)</u>	<u>\$ 1,151</u>

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The following table presents the statement of operations line item effects for reclassifications out of accumulated other comprehensive income (“AOCI”):

AOCI Component	Gain (Loss) Reclassified From AOCI			Statement of Operations Line Item
	Years Ended December 31,			
	2021	2020	2019	
	(In thousands)			
Hedging instruments:				
Commodity price swaps	\$ (19,239)	\$ (5,168)	\$ (1,799)	Sales and other revenues
	—	4,281	22,876	Cost of products sold
	1,660	(1,717)	(1,364)	Operating expenses
	(17,579)	(2,604)	19,713	
	(4,430)	(664)	5,027	Income tax expense (benefit)
	(13,149)	(1,940)	14,686	Net of tax
Other post-retirement benefit obligations:				
Pension obligations:				
Pension obligations	407	422	—	Other, net
	103	108	—	Income tax expense
	304	314	—	Net of tax
Post-retirement healthcare obligations:				
Post-retirement healthcare obligations	3,328	3,564	3,587	Other, net
	839	909	915	Income tax expense
	2,489	2,655	2,672	Net of tax
Retirement restoration plan:				
Retirement restoration plan	(39)	(22)	(6)	Other, net
	(10)	(6)	(2)	Income tax benefit
	(29)	(16)	(4)	Net of tax
Total reclassifications for the period	\$ (10,385)	\$ 1,013	\$ 17,354	

Accumulated other comprehensive income in the equity section of our consolidated balance sheets includes:

	Years Ended December 31,	
	2021	2020
	(In thousands)	
Foreign currency translation adjustment	\$ (7,861)	\$ 2,682
Unrealized loss on pension obligations	1,449	(248)
Unrealized gain on post-retirement benefit obligations	9,342	11,310
Unrealized loss on hedging instruments	(259)	(282)
Accumulated other comprehensive income	\$ 2,671	\$ 13,462

NOTE 18: Pension and Post-retirement Plans

Certain PCLI employees are participants in union and non-union pension plans which are closed to new entrants. It is our intention that, effective June 30, 2022, no additional benefits will be accrued under these plans, and the plans will become frozen and employees will be transitioned to a defined contribution plan. Accordingly, these changes have been accounted for as curtailments and contractual termination benefits. In addition, Sonneborn employees in the Netherlands have a defined benefit pension plan which was frozen and all plan participants became inactive in 2016. The plan assets are in the form of a third-party insurance contract that is valued based on the assets held by the insurer and insures a value which approximates the accrued benefits related to the plan’s accumulated benefit obligation. At that time, a new plan was established to provide future indexation benefits to participants who had accrued benefits under the expiring arrangements.

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The following table sets forth the changes in the benefit obligation and plan assets of our PCLI pension plans and Sonneborn Netherlands plans for the years ended December 31, 2021 and 2020.

	Years Ended December 31,	
	2021	2020
	(In thousands)	
Change in plans' benefit obligations		
Pension plans benefit obligation - beginning of period	\$ 126,620	\$ 110,410
Service cost	4,455	3,929
Interest cost	2,740	2,772
Actuarial (gain) loss	(7,363)	8,391
Benefits paid	(4,211)	(1,558)
Curtailement	—	(4,078)
Contractual termination benefits	—	915
Transfer from other plans	706	479
Foreign currency exchange rate changes	(2,533)	5,360
Pension plans benefit obligation - end of year	<u>\$ 120,414</u>	<u>\$ 126,620</u>
Change in pension plans assets		
Fair value of plans assets - beginning of period	\$ 123,950	\$ 105,358
Return on plans assets	(2,228)	10,936
Employer contributions	3,542	3,487
Benefits paid	(4,211)	(1,558)
Transfer payments	706	479
Foreign currency exchange rate changes	(2,434)	5,248
Fair value of plans assets - end of year	<u>\$ 119,325</u>	<u>\$ 123,950</u>
Funded status		
Under-funded balance	<u>\$ (1,089)</u>	<u>\$ (2,670)</u>
Amounts recognized in consolidated balance sheets		
Other long-term liabilities	<u>\$ (1,089)</u>	<u>\$ (2,670)</u>
Amounts recognized in accumulated other comprehensive income		
Cumulative actuarial loss	<u>\$ (1)</u>	<u>\$ (1,658)</u>

The accumulated benefit obligation was \$118.4 million and \$119.2 million at December 31, 2021 and 2020, respectively, which are also the measurement dates used for our pension plans.

The following tables provide information regarding pension plans with a projected benefit obligation and accumulated benefit obligation in excess of the fair value of plan assets:

	December 31,	
	2021	2020
	(In thousands)	
Projected benefit obligation	\$ 35,963	\$ 79,866
Fair value of plan assets	\$ 33,966	\$ 77,035

	December 31,	
	2021	2020
	(In thousands)	
Accumulated benefit obligation	\$ 35,249	\$ 41,654
Fair value of plan assets	\$ 33,966	\$ 39,105

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The weighted average assumptions used to determine end of period benefit obligations for the PCLI plans for the years ended December 31, 2021 and 2020 were discount rates of 3.00% and 2.60%, respectively, and rates of future compensation increases of 3.00% for each year. For the years ended December 31, 2021 and 2020, the weighted average assumption used to determine end of period benefit obligations for Sonneborn were discount rates of 1.40% and 1.10%, respectively.

Net periodic pension expense consisted of the following components:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Service cost - benefit earned during the period	\$ 4,455	\$ 3,929	\$ 4,135
Interest cost on projected benefit obligations	2,740	2,772	3,026
Expected return on plans assets	(3,031)	(4,578)	(3,840)
Amortization of gain	(407)	(422)	—
Curtailment	—	(137)	—
Contractual termination benefits	—	915	—
Net periodic pension expense	<u>\$ 3,757</u>	<u>\$ 2,479</u>	<u>\$ 3,321</u>

The components, other than service cost, of our net periodic pension expense are recorded in Other, net on our consolidated statements of operations.

The following table presents the fair values of PCLI's pension plans' assets, by level within the fair value hierarchy, as of December 31, 2021 and 2020.

	December 31, 2021				December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(In thousands)							
Equity securities	\$ —	\$ 6,802	\$ —	\$ 6,802	\$ —	\$ 35,916	\$ —	\$ 35,916
Fixed income	536	78,021	—	78,557	362	48,566	—	48,928
	<u>\$ 536</u>	<u>\$ 84,823</u>	<u>\$ —</u>	<u>\$ 85,359</u>	<u>\$ 362</u>	<u>\$ 84,482</u>	<u>\$ —</u>	<u>\$ 84,844</u>

See Note 6 for additional information on Level 1 and 2 inputs.

The expected long-term rate of return on plan assets is 3.25% for the PCLI pension plans, and is based on a target investment mix of 16% equities, 75% fixed income, 5% real estate and infrastructure and 4% other.

We expect to contribute \$3.6 million to the PCLI and Sonneborn pensions plans in 2022. Benefit payments, which reflect expected future service, are expected to be paid as follows: \$2.5 million in 2022, \$2.9 million in 2023, \$3.3 million in 2024, \$87.6 million in 2025, \$0.9 million in 2026 and \$5.4 million in 2027 to 2031. Benefit payments expected to be paid in 2025 include the estimate of the net present value of all expected benefit payments to be paid out once the PCLI union and non-union pension plans windup has been finalized.

Post-retirement Healthcare Plans

We have post-retirement healthcare and other benefits plans that are available to certain of our employees who satisfy certain age and service requirements. These plans are unfunded and provide differing levels of healthcare benefits dependent upon hire date and work location. Not all of our employees are covered by these plans at December 31, 2021.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

The following table sets forth the changes in the benefit obligation and plan assets of our post-retirement healthcare plans for the years ended December 31, 2021 and 2020:

	Years Ended December 31,	
	2021	2020
	(In thousands)	
Change in plans' benefit obligation		
Post-retirement plans' benefit obligation - beginning of year	\$ 33,478	\$ 31,273
Service cost	2,324	1,616
Interest cost	782	870
Benefits paid	(706)	(1,766)
Actuarial (gain) loss	(1,133)	1,131
Foreign currency exchange rate changes	71	354
Post-retirement plans' benefit obligation - end of year	<u>\$ 34,816</u>	<u>\$ 33,478</u>
Change in plan assets		
Fair value of plan assets - beginning of year	\$ —	\$ —
Employer contributions	673	1,742
Participant contributions	33	24
Benefits paid	(706)	(1,766)
Fair value of plan assets - end of year	<u>\$ —</u>	<u>\$ —</u>
Funded status		
Under-funded balance	<u>\$ (34,816)</u>	<u>\$ (33,478)</u>
Amounts recognized in consolidated balance sheets		
Accrued liabilities	\$ (832)	\$ (1,946)
Other long-term liabilities	(33,984)	(31,532)
	<u>\$ (34,816)</u>	<u>\$ (33,478)</u>
Amounts recognized in accumulated other comprehensive income		
Cumulative actuarial loss	\$ (271)	\$ (1,523)
Prior service credit	15,031	18,511
Total	<u>\$ 14,760</u>	<u>\$ 16,988</u>

Benefit payments, which reflect expected future service, are expected to be paid as follows: \$0.8 million in 2022; \$2.1 million in 2023; \$2.2 million in 2024; \$2.2 million in 2025; \$2.3 million in 2026; and \$11.5 million in 2027 through 2031.

The weighted average assumptions used to determine end of period benefit obligations:

	December 31,	
	2021	2020
Discount rate	2.29%-3.10%	1.88% - 2.60%
Current health care trend rate	6.00%-7.25%	5.50% - 6.00%
Ultimate health care trend rate	4.00%-4.50%	4.50% - 5.00%
Year rate reaches ultimate trend rate	2023-2041	2022 - 2023

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

Net periodic post-retirement credit consisted of the following components:

	Years Ended December 31,		
	2021	2020	2019
	(In thousands)		
Service cost – benefit earned during the year	\$ 2,324	\$ 1,616	\$ 1,582
Interest cost on projected benefit obligations	782	870	1,029
Amortization of prior service credit	(3,481)	(3,481)	(3,481)
Amortization of (gain) loss	153	(83)	(106)
Net periodic post-retirement credit	<u>\$ (222)</u>	<u>\$ (1,078)</u>	<u>\$ (976)</u>

The components, other than service cost, of our net periodic post-retirement credit are recorded in Other, net on our consolidated statements of operations. Prior service credits are amortized over the average remaining effective period to obtain full benefit eligibility for participants.

Retirement Restoration Plan

We have an unfunded retirement restoration plan that provides for additional payments from us so that total retirement plan benefits for certain executives will be maintained at the levels provided in the retirement plan before the application of Internal Revenue Code limitations. We expensed \$0.1 million for each of the years ended December 31, 2021, 2020 and 2019 in connection with this plan. The accrued liability reflected on the consolidated balance sheets was \$2.3 million and \$2.5 million at December 31, 2021 and 2020, respectively. As of December 31, 2021, the projected benefit obligation under this plan was \$2.3 million. Annual benefit payments of \$0.2 million are expected to be paid through 2031, which reflect expected future service.

Defined Contribution Plans

We have defined contribution plans that cover substantially all qualified employees in the U.S, Canada and the Netherlands. Our contributions are based on an employee's eligible compensation and years of service. We also partially match our employees' contributions. We expensed \$45.0 million, \$43.3 million and \$30.3 million for the years ended December 31, 2021, 2020 and 2019, respectively, in connection with these plans.

NOTE 19: Contingencies and Contractual Commitments

We are a party to various litigation and legal proceedings which we believe, based on advice of counsel, will not either individually or in the aggregate have a materially adverse effect on our financial condition, results of operations or cash flows.

We filed a business interruption claim with our insurance carriers related to a loss at our Woods Cross Refinery that occurred in the first quarter 2018. During the year ended December 31, 2020, we reached a final settlement agreement regarding the amounts owed to us pursuant to our business interruption coverage, and we recognized a gain of \$81.0 million, which is reflected in our Corporate and Other segment.

During 2017, 2018 and 2019, the EPA granted the Cheyenne Refinery and Woods Cross Refinery each a one-year small refinery exemption from the RFS program requirements for the 2016, 2017 and 2018, respectively, calendar years. As a result, the Cheyenne Refinery's and Woods Cross Refinery's gasoline and diesel production are not subject to the Renewable Volume Obligation for the respective years. Upon each exemption granted, we increased our inventory of RINs and reduced our cost of products sold.

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

Various subsidiaries of HollyFrontier are currently intervenors in two lawsuits brought by renewable fuel interest groups against the EPA in federal courts alleging violations of the Renewable Fuel Standard under the Clean Air Act and challenging the EPA's handling of small refinery exemptions. We intervened to vigorously defend the EPA's position on small refinery exemptions because we believe the EPA correctly applied applicable law to the matters at issue. The first lawsuit is before the Tenth Circuit and challenges the relief the EPA afforded to the Cheyenne refinery following the grant of small refinery exemptions. The matter is fully briefed and remains pending before that court. The second lawsuit is currently pending before the DC Circuit. On August 25, 2021, the EPA filed a motion to voluntarily remand the matter to the EPA. We did not oppose this motion. The DC Circuit granted EPA's motion for a voluntary remand, but ordered the agency to issue decisions on the challenged 2018 small refinery exemption decisions within 90 days of the court's December 8, 2021 order or 90 days from the submission of supplemental materials by the small refineries so long as a decision is made within 120 days of the court's order. HollyFrontier was also recently an intervenor in another lawsuit filed in the Tenth Circuit challenging the grant of small refinery exemptions to the Cheyenne and Woods Cross refineries for the 2016 compliance year. On January 24, 2020, the U.S. Court of Appeals for the Tenth Circuit vacated the small refinery exemptions granted to the Cheyenne and Woods Cross refineries for 2016 and remanded the case to the EPA for further proceedings. On April 15, 2020, the Tenth Circuit issued its mandate, remanding the matter back to the EPA. On September 4, 2020, various subsidiaries of HollyFrontier filed a Petition for a Writ of Certiorari with the U.S. Supreme Court seeking review of the Tenth Circuit decision. On January 8, 2021, the U.S. Supreme Court granted HollyFrontier's petition. The oral argument occurred on April 27, 2021. The U.S. Supreme Court issued its opinion in this matter on June 25, 2021 and reversed the Tenth Circuit. On July 27, 2021, the Tenth Circuit recalled the mandate it issued to the EPA on April 15, 2020, and vacated its January 24, 2020 judgment. On July 29, 2021, the Tenth Circuit issued an order and judgment confirming that it recalled its mandate and vacated its previous judgment in this case, and returned jurisdiction to the EPA without vacating the exemption decisions. On August 19, 2021, the EPA filed a motion for clarification of the Tenth Circuit's mandate. The Tenth Circuit denied the EPA's motion on August 26, 2021, and therefore the matter is now solely before the EPA. We are unable to estimate the costs we may incur, if any, at this time. It is too early to assess how the U.S. Supreme Court decision will impact future small refinery exemptions or whether the remaining cases are expected to have any impact on us.

We have been party to multiple proceedings before the Federal Energy Regulatory Commission ("FERC") challenging the rates charged by SFPP, L.P. ("SFPP") on its East Line pipeline facilities from El Paso, Texas to Phoenix, Arizona. In March 2018, FERC ruled that SFPP, as a master limited partnership, was prohibited from including an allowance for investor income taxes in the cost of service underlying its East Line rates. We reached a negotiated settlement with SFPP that provides for a payment to us of \$51.5 million. FERC approved the settlement on December 31, 2020 subject to a rehearing period that resulted in a settlement effective date of February 2, 2021. Under the terms of the settlement agreement, SFPP made the \$51.5 million payment to us on February 10, 2021. As of December 31, 2020, we had no enforceable right to collect any of the settlement. Accordingly, recognition of a gain occurred when the uncertainties were resolved on February 2, 2021, and we recorded as "Gain on tariff settlement" on our consolidated statements of operations for the year ended December 31, 2021.

Contractual Commitments

We have various long-term agreements (entered in the normal course of business) to purchase crude oil, natural gas, feedstocks and other resources to ensure we have adequate supplies to operate our refineries. The substantial majority of our purchase obligations are based on market prices or rates. These contracts expire in 2022 through 2025.

We also have long-term agreements with third parties for the transportation and storage of crude oil, natural gas and feedstocks to our refineries and for terminal and storage services that expire in 2022 through 2039. At December 31, 2021, the minimum future transportation and storage fees under transportation agreements having terms in excess of one year are as follows:

	(In thousands)
2022	\$ 166,456
2023	164,518
2024	163,507
2025	163,972
2026	129,572
Thereafter	839,775
Total	\$ 1,627,800

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

Transportation and storage costs incurred under these agreements totaled \$160.5 million, \$139.0 million and \$144.8 million for the years ended December 31, 2021, 2020 and 2019, respectively. These amounts do not include contractual commitments under our long-term transportation agreements with HEP, as all transactions with HEP are eliminated in these consolidated financial statements.

NOTE 20: Segment Information

Our operations are organized into three reportable segments: Refining, Lubricants and Specialty Products and HEP. Our operations that are not included in the Refining, Lubricants and Specialty Products and HEP segments are included in Corporate and Other. Intersegment transactions are eliminated on our consolidated financial statements and are included in Eliminations. Corporate and Other and Eliminations are aggregated and presented under the Corporate, Other and Eliminations column.

The Refining segment represents the operations of our El Dorado, Tulsa, Navajo and Woods Cross refineries, HollyFrontier Asphalt Company LLC (“HFC Asphalt”) and also our recently acquired Puget Sound Refinery from the closing date on November 1, 2021 (aggregated as a reportable segment). Refining activities involve the purchase and refining of crude oil and wholesale and branded marketing of refined products, such as gasoline, diesel fuel and jet fuel. These petroleum products are primarily marketed in the Mid-Continent, Southwest and Rocky Mountains extending into the Pacific Northwest geographic regions of the United States. HFC Asphalt operates various asphalt terminals in Arizona, New Mexico and Oklahoma. The Refining segment also included the operations of our Cheyenne refinery until it permanently ceased petroleum refining operations during the third quarter of 2020.

Beginning in the fourth quarter of 2020, activities associated with the conversion of our Cheyenne refinery to renewable diesel production, along with the construction of renewable diesel and pre-treatment units in Artesia, New Mexico were reported in Corporate and Other. The Cheyenne renewable diesel unit was mechanically complete in the fourth quarter of 2021. The pre-treatment unit is expected to be completed in the first quarter of 2022, and the Artesia renewable diesel unit is expected to be completed in the second quarter of 2022. Beginning in the first quarter of 2022, renewable diesel operations will cease to be reported in Corporate and Other and will be reported under a new Renewables segment.

The Lubricants and Specialty Products segment involves Petro-Canada Lubricants Inc.’s (“PCLI”) production operations, located in Mississauga, Ontario, that includes lubricant products such as base oils, white oils, specialty products and finished lubricants, and the operations of our Petro-Canada Lubricants business that includes the marketing of products to both retail and wholesale outlets through a global sales network with locations in Canada, the United States, Europe and China. Additionally, the Lubricants and Specialty Products segment includes specialty lubricant products produced at our Tulsa refineries that are marketed throughout North America and are distributed in Central and South America and the operations of Red Giant Oil, one of the largest suppliers of locomotive engine oil in North America. Also, effective with our acquisition that closed February 1, 2019, the Lubricants and Specialty Products segment includes Sonneborn, a producer of specialty hydrocarbon chemicals such as white oils, petrolatums and waxes with manufacturing facilities in the United States and Europe.

The HEP segment includes all of the operations of HEP, which owns and operates logistics and refinery assets consisting of petroleum product and crude oil pipelines, terminals, tankage, loading rack facilities and refinery processing units in the Mid-Continent, Southwest and Rocky Mountains geographic regions of the United States. The HEP segment also includes a 75% ownership interest in UNEV (a consolidated subsidiary of HEP) and 50% ownership interest in each of the Osage Pipeline, the Cheyenne Pipeline and Cushing Connect. Revenues from the HEP segment are earned through transactions with unaffiliated parties for pipeline transportation, rental and terminalling operations as well as revenues relating to pipeline transportation services provided for our refining operations. Due to certain basis differences, our reported amounts for the HEP segment may not agree to amounts reported in HEP’s periodic public filings.

The accounting policies for our segments are the same as those described in the summary of significant accounting policies, except that our Refining segment balance sheet excluded intercompany ROU assets and liabilities for operating leases prior to December 31, 2021 (see Note 1).

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

The following is a summary of the financial information of our reportable segments reconciled to the amounts reported in the consolidated financial statements.

	Refining	Lubricants and Specialty Products	HEP	Corporate, Other and Eliminations ⁽²⁾	Consolidated Total
	(In thousands)				
Year Ended December 31, 2021					
Sales and other revenues:					
Revenues from external customers	\$ 15,734,870	\$ 2,550,624	\$ 103,646	\$ 2	\$ 18,389,142
Intersegment revenues	623,688	9,988	390,849	(1,024,525)	—
	<u>\$ 16,358,558</u>	<u>\$ 2,560,612</u>	<u>\$ 494,495</u>	<u>\$ (1,024,523)</u>	<u>\$ 18,389,142</u>
Cost of products sold (exclusive of lower of cost or market inventory valuation adjustment)	\$ 14,673,062	\$ 1,815,802	\$ —	\$ (921,812)	\$ 15,567,052
Lower of cost or market inventory valuation adjustment	\$ (318,353)	\$ —	\$ —	\$ 8,230	\$ (310,123)
Operating expenses	\$ 1,090,424	\$ 252,456	\$ 170,524	\$ 4,074	\$ 1,517,478
Selling, general and administrative expenses	\$ 127,563	\$ 170,155	\$ 12,637	\$ 51,655	\$ 362,010
Depreciation and amortization	\$ 334,365	\$ 79,767	\$ 86,998	\$ 2,409	\$ 503,539
Income (loss) from operations	\$ 451,497	\$ 242,432	\$ 224,336	\$ (169,079)	\$ 749,186
Earnings of equity method investments	\$ —	\$ —	\$ 12,432	\$ —	\$ 12,432
Capital expenditures	\$ 160,431	\$ 30,878	\$ 88,336	\$ 533,764	\$ 813,409
Year Ended December 31, 2020					
Sales and other revenues:					
Revenues from external customers	\$ 9,286,658	\$ 1,792,745	\$ 98,039	\$ 6,201	\$ 11,183,643
Intersegment revenues	252,531	10,465	399,809	(662,805)	—
	<u>\$ 9,539,189</u>	<u>\$ 1,803,210</u>	<u>\$ 497,848</u>	<u>\$ (656,604)</u>	<u>\$ 11,183,643</u>
Cost of products sold (exclusive of lower of cost or market inventory valuation adjustment)	\$ 8,439,680	\$ 1,271,287	\$ —	\$ (552,162)	\$ 9,158,805
Lower of cost or market inventory valuation adjustment	\$ 82,214	\$ —	\$ —	\$ (3,715)	\$ 78,499
Operating expenses	\$ 988,045	\$ 216,068	\$ 147,692	\$ (51,528)	\$ 1,300,277
Selling, general and administrative expenses	\$ 127,298	\$ 157,816	\$ 9,989	\$ 18,497	\$ 313,600
Depreciation and amortization	\$ 324,617	\$ 80,656	\$ 95,445	\$ 20,194	\$ 520,912
Goodwill and long-lived asset impairment ⁽¹⁾	\$ 241,760	\$ 286,575	\$ 16,958	\$ —	\$ 545,293
Income (loss) from operations	\$ (664,425)	\$ (209,192)	\$ 227,764	\$ (87,890)	\$ (733,743)
Earnings of equity method investments	\$ —	\$ —	\$ 6,647	\$ —	\$ 6,647
Capital expenditures	\$ 152,726	\$ 32,473	\$ 59,283	\$ 85,678	\$ 330,160
Year Ended December 31, 2019					
Sales and other revenues:					
Revenues from external customers	\$ 15,284,110	\$ 2,081,221	\$ 121,027	\$ 220	\$ 17,486,578
Intersegment revenues	312,678	11,307	411,750	(735,735)	—
	<u>\$ 15,596,788</u>	<u>\$ 2,092,528</u>	<u>\$ 532,777</u>	<u>\$ (735,515)</u>	<u>\$ 17,486,578</u>
Cost of products sold (exclusive of lower of cost or market inventory valuation adjustment)	\$ 12,980,506	\$ 1,580,036	\$ —	\$ (642,158)	\$ 13,918,384
Lower of cost or market inventory valuation adjustment	\$ (119,775)	\$ —	\$ —	\$ —	\$ (119,775)
Operating expenses	\$ 1,095,488	\$ 231,523	\$ 161,996	\$ (94,955)	\$ 1,394,052
Selling, general and administrative expenses	\$ 120,518	\$ 168,595	\$ 10,251	\$ 54,872	\$ 354,236
Depreciation and amortization	\$ 309,932	\$ 88,781	\$ 96,706	\$ 14,506	\$ 509,925
Goodwill impairment	\$ —	\$ 152,712	\$ —	\$ —	\$ 152,712
Income (loss) from operations	\$ 1,210,119	\$ (129,119)	\$ 263,824	\$ (67,780)	\$ 1,277,044
Earnings of equity method investments	\$ —	\$ —	\$ 5,180	\$ —	\$ 5,180
Capital expenditures	\$ 199,002	\$ 40,997	\$ 30,112	\$ 23,652	\$ 293,763

HOLLYFRONTIER CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Continued

- (1) The results of our HEP reportable segment for the year ended December 31, 2020 include a long-lived asset impairment charge attributed to HEP's logistics assets at our Cheyenne Refinery.
- (2) For the year ended December 31, 2021, Corporate and Other includes \$55.4 million of operating expenses and \$510.8 million of capital expenditures related to the construction of our renewable diesel units. For the year ended December 31, 2020, Corporate and Other includes \$3.9 million of operating expenses and \$65.1 million of capital expenditures related to the construction of our renewable diesel units. Also, for the year ended December 31, 2020, Corporate and Other includes \$14.0 million of decommissioning and other shutdown costs related to our Cheyenne Refinery. In addition, for the year ended December 31, 2020, Corporate and Other includes \$11.4 million in other operating costs related to our Cheyenne facility.

	Refining	Lubricants and Specialty Products	HEP	Corporate, Other and Eliminations	Consolidated Total
	(In thousands)				
December 31, 2021					
Cash and cash equivalents	\$ —	\$ 113,474	\$ 14,381	\$ 106,589	\$ 234,444
Total assets	\$ 9,736,851	\$ 2,073,638	\$ 2,250,115	\$ (1,143,991)	\$ 12,916,613
Long-term debt	\$ —	\$ —	\$ 1,333,049	\$ 1,739,688	\$ 3,072,737
December 31, 2020					
Cash and cash equivalents	\$ 3,106	\$ 163,729	\$ 21,990	\$ 1,179,493	\$ 1,368,318
Total assets	\$ 6,203,847	\$ 1,864,313	\$ 2,198,478	\$ 1,240,226	\$ 11,506,864
Long-term debt	\$ —	\$ —	\$ 1,405,603	\$ 1,737,115	\$ 3,142,718

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

We have had no change in, or disagreement with, our independent registered public accountants on matters involving accounting and financial disclosure.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures. Our principal executive officer and principal financial officer have evaluated, as required by Rule 13a-15(b) under the Securities Exchange Act of 1934 (the “Exchange Act”), our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) under the Exchange Act as of the end of the period covered by this annual report on Form 10-K. Our disclosure controls and procedures are designed to provide reasonable assurance that the information we are required to disclose in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms. Based upon the evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2021.

Changes in internal control over financial reporting. There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during our last fiscal quarter that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

See Item 8 for “Management’s Report on its Assessment of the Company’s Internal Control Over Financial Reporting” and “Report of the Independent Registered Public Accounting Firm.”

Item 9B. Other Information

There have been no events that occurred in the fourth quarter of 2021 that would need to be reported on Form 8-K that have not previously been reported.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable

PART III**Item 10. Directors, Executive Officers and Corporate Governance**

The information required by Items 401, 405, 406 and 407(c)(3), (d)(4) and (d)(5) of Regulation S-K in response to this item will be set forth in our definitive proxy statement for the 2022 annual meeting of stockholders and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by Items 402 and 407(e)(4) and (e)(5) of Regulation S-K in response to this item will be set forth in our definitive proxy statement for the 2022 annual meeting of stockholders and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The equity compensation plan information required by Item 201(d) and the information required by Item 403 of Regulation S-K in response to this item will be set forth in our definitive proxy statement for the 2022 annual meeting of stockholders and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Items 404 and 407(a) of Regulation S-K in response to this item will be set forth in our definitive proxy statement for the 2022 annual meeting of stockholders and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information required by Item 9(e) of Schedule 14A in response to this item will be set forth in our definitive proxy statement for the 2022 annual meeting of stockholders and is incorporated herein by reference.

PART IV**Item 15. Exhibit and Financial Statement Schedules**

(a) Documents filed as part of this report

(1) Index to Consolidated Financial Statements

	Page in Form 10-K
Report of Independent Registered Public Accounting Firm	74
Consolidated Balance Sheets at December 31, 2021 and 2020	77
Consolidated Statements of Operations for the years ended December 31, 2021, 2020 and 2019	78
Consolidated Statements of Comprehensive Income for the years ended December 31, 2021, 2020 and 2019	79
Consolidated Statements of Cash Flows for the years ended December 31, 2021, 2020 and 2019	80
Consolidated Statements of Equity for the years ended December 31, 2021, 2020 and 2019	81
Notes to Consolidated Financial Statements	82

(2) Index to Consolidated Financial Statement Schedules

All schedules are omitted since the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements or notes thereto.

(3) Exhibits filed or furnished, as applicable, as part of this Form 10-K are listed in the Index to Exhibits.

HOLLYFRONTIER CORPORATION
INDEX TO EXHIBITS

Exhibits are numbered to correspond to the exhibit table
in Item 601 of Regulation S-K

Exhibit Number	Description
2.1†	Asset Sale and Purchase Agreement, dated October 19, 2009, between Holly Refining & Marketing-Tulsa LLC, HEP Tulsa LLC and Sinclair Tulsa Refining Company (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed October 21, 2009, File No. 1-03876).
2.2†	Amendment No. 1 to Asset Sale and Purchase Agreement, dated December 1, 2009, between Holly Refining & Marketing-Tulsa LLC, HEP Tulsa LLC and Sinclair Tulsa Refining Company (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed December 7, 2009, File No. 1-03876).
2.3†	Asset Sale and Purchase Agreement, dated April 15, 2009, between Holly Refining & Marketing-Midcon, L.L.C. and Sunoco, Inc. (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed April 16, 2009, File No. 1-03876).
2.4†	Share Purchase Agreement, dated October 29, 2016, by and between Suncor Energy Inc. and 9952110 Canada Inc. (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed October 31, 2016, File No. 1-03876).
2.5†	Equity Purchase Agreement, dated November 12, 2018, by and between Sonneborn Holdings, L.P., Sonneborn Co-Op LLC, Sonneborn Coöperatief U.A. and HollyFrontier LSP Holdings LLC (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed November 13, 2018, File No. 1-03846).
2.6	Waiver and Amendment to Equity Purchase Agreement, dated January 31, 2019, by and between Sonneborn Holdings, L.P., Sonneborn Co-Op LLC, Sonneborn Coöperatief U.A. and HollyFrontier LSP Holdings LLC (incorporated by reference to Exhibit 2.7 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2018. File No. 1-03876).
2.7†	Sale and Purchase Agreement, dated as of May 4, 2021, by and between Equilon Enterprises LLC d/b/a Shell Oil Products US and HollyFrontier Puget Sound Refining LLC (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed May 4, 2021, File No. 1-03876).
2.8†	Waiver and Amendment to Sale and Purchase Agreement, dated as of October 31, 2021, by and among HollyFrontier Puget Sound Refining LLC and Equilon Enterprises LLC d/b/a Shell Oil Products US (incorporated by reference to Exhibit 2.2 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021, File No. 1-03876).
2.9†	Business Combination Agreement, dated as of August 2, 2021, by and among HollyFrontier Corporation, Hippo Parent Corporation, Hippo Merger Sub, Inc., The Sinclair Companies, and Hippo Holding LLC (incorporated by reference to Exhibit 2.1 of Registrant's Current Report on Form 8-K filed August 3, 2021, File No. 1-03876).
3.1	Amended and Restated Certificate of Incorporation of HollyFrontier Corporation (incorporated by reference to Exhibit 3.1 of Registrant's Current Report on Form 8-K filed July 8, 2011, File No. 1-03876).
3.2	Amended and Restated By-Laws of HollyFrontier Corporation (incorporated by reference to Exhibit 3.2 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021, File No. 1-03876).
4.1	Indenture, dated March 22, 2016, between HollyFrontier Corporation and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed March 22, 2016, File No. 1-03876).
4.2	Supplemental Indenture, dated March 22, 2016, between HollyFrontier Corporation and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed March 22, 2016, File No. 1-03876).
4.3	Second Supplemental Indenture, dated as of September 28, 2020, between HollyFrontier Corporation and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K dated September 28, 2020, File No. 1-03876).
4.4	Indenture, dated February 4, 2020, by and among Holly Energy Partners, L.P., Holly Energy Finance Corp., each of the Guarantors party thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.1 of Holly Energy Partners, L.P.'s Current Report on Form 8-K filed February 4, 2020, File No. 1-32225).
4.5*	Description of Capital Stock pursuant to Item 601(b)(4) of Reg. S-K.

HOLLYFRONTIER CORPORATION
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Exhibit Number	Description
10.1	Amended and Restated Intermediate Pipelines Agreement, dated June 1, 2009, among Holly Corporation, Navajo Refining Company, L.L.C., Holly Energy Partners, L.P., Holly Energy Partners – Operating, L.P., HEP Pipeline, L.L.C., Lovington-Artesia, L.L.C., HEP Logistics Holdings, L.P., Holly Logistics Services, L.L.C. and HEP Logistics GP, L.L.C. (incorporated by reference to Exhibit 10.2 of Holly Energy Partners, L.P.'s Current Report on Form 8-K filed June 5, 2009, File No. 1-32225).
10.2	Amendment to Amended and Restated Intermediate Pipelines Agreement, dated December 9, 2010, among Navajo Refining Company, L.L.C., Holly Energy Partners, L.P., Holly Energy Partners – Operating, L.P., HEP Pipeline, L.L.C., Lovington-Artesia, L.L.C., HEP Logistics Holdings, L.P., Holly Logistics Services, L.L.C. and HEP Logistics GP, L.L.C. (incorporated by reference to Exhibit 10.4 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2010, File No. 1-03876).
10.3	Tulsa Purchase Option Agreement, dated August 1, 2009, between Holly Refining & Marketing - Tulsa LLC and HEP Tulsa LLC (incorporated by reference to Exhibit 10.4 of Holly Energy Partners L.P.'s Current Report on Form 8-K filed August 6, 2009, File No. 1-32225).
10.4	Third Amended and Restated Crude Pipelines and Tankage Agreement, dated March 12, 2015, by and among Navajo Refining Company, L.L.C., Holly Refining & Marketing Company - Woods Cross LLC, HollyFrontier Refining & Marketing LLC, Holly Energy Partners-Operating, L.P., HEP Pipeline, L.L.C. and HEP Woods Cross L.L.C. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed March 16, 2015, File No. 1-03876).
10.5	First Amendment to Third Amended and Restated Crude Pipelines and Tankage Agreement, dated April 22, 2019, by and among HollyFrontier Navajo Refining LLC, HollyFrontier Woods Cross Refining LLC, HollyFrontier Refining & Marketing LLC, Holly Energy Partners - Operating, L.P., HEP Pipeline, L.L.C. and HEP Woods Cross, L.L.C. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 10-Q for the quarterly period ended March 31, 2019, File No. 1-03876).
10.6	Second Amendment to Third Amended and Restated Crude Pipelines and Tankage Agreement dated as of May 26, 2020, by and among HollyFrontier Navajo Refining LLC, HollyFrontier Woods Cross Refining LLC, HollyFrontier Refining & Marketing LLC, Holly Energy Partners - Operating, L.P., HEP Pipeline, L.L.C. and HEP Woods Cross, L.L.C. (incorporated by reference to Exhibit 10.4 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020, File No. 1-03876).
10.7	Third Amendment to Third Amended and Restated Crude Pipelines and Tankage Agreement entered into as of February 8, 2021, effective as of January 1, 2021, by and among HollyFrontier Navajo Refining LLC, HollyFrontier Woods Cross Refining LLC, HollyFrontier Refining & Marketing LLC, Holly Energy Partners - Operating, L.P., HEP Pipeline, L.L.C. and HEP Woods Cross, L.L.C. (incorporated by reference to Exhibit 10.8 of Registrant's Current Report on Form 8-K dated February 11, 2021, File No. 1-03876).
10.8	Twenty-First Amended and Restated Omnibus Agreement, entered into as of February 8, 2020, effective as of January 1, 2021, by and between HollyFrontier Corporation, Holly Energy Partners, L.P. and certain of their respective subsidiaries (incorporated by reference to Exhibit 10.5 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.9	Senior Unsecured 5-Year Revolving Credit Agreement, dated July 1, 2014, among HollyFrontier Corporation, as borrower, Union Bank, N. A. as administrative agent, and each of the financial institutions party thereto as lenders (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed July 8, 2014, File No. 1-03876).
10.10	First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement, dated as of February 16, 2017, among HollyFrontier Corporation, as borrower, The Bank of Tokyo-Mitsubishi UFJ, Ltd., as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed February 21, 2017, File No. 1-03876).
10.11†	Second Amendment to Senior Unsecured 5-Year Revolving Credit Agreement, dated as of April 30, 2021, among HollyFrontier Corporation, as borrower, MUFG Bank, Ltd., as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed May 3, 2021, File No. 1-03876).
10.12*	Third Amendment to Senior Unsecured 5-Year Revolving Credit Agreement, dated as of December 27, 2021, among HollyFrontier Corporation, as borrower, MUFG Bank, Ltd., as administrative agent, and the lenders party thereto.

HOLLYFRONTIER CORPORATION
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Exhibit Number	Description
10.13	Release of Subsidiary Guarantee, dated December 29, 2015, by and among HollyFrontier Corporation and Union Bank, N.A. (incorporated by reference to Exhibit 10.40 of Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, File No. 1-03876).
10.14	Amended and Restated Limited Liability Company Agreement of HEP UNEV Holdings LLC, dated July 12, 2012, among HEP UNEV Holdings LLC, HollyFrontier Holdings LLC and Holly Energy Partners, L.P. (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012, File No. 1-03876).
10.15	Amended and Restated Unloading and Blending Services Agreement, dated January 18, 2017, effective September 16, 2016, by and between HollyFrontier Refining & Marketing LLC, Holly Energy Partners - Operating, L.P. and HEP Refining L.L.C. (incorporated by reference to Exhibit 10.26 of Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, File No. 1-03876).
10.16	Seventh Amended and Restated Master Throughput Agreement, entered into as of February 8, 2021, effective as of January 1, 2021, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners - Operating, L.P. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.17	First Amendment to Seventh Amended and Restated Master Throughput Agreement, entered into as of April 30, 2021, effective as of April 1, 2021, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners - Operating, L.P. (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021, File No. 1-03876).
10.18	Second Amendment to Seventh Amended and Restated Master Throughput Agreement, entered into as of July 27, 2021, effective as of May 1, 2021, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners - Operating, L.P. (incorporated by reference to Exhibit 10.4 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021, File No. 1-03876).
10.19	Construction Payment Agreement, dated as of October 16, 2015, by and between HEP Refining, L.L.C. and HollyFrontier Refining & Marketing LLC (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed October 21, 2015, File No. 1-03876).
10.20	Fourth Amended and Restated Services and Secondment Agreement, entered into as of February 8, 2021, effective as of January 1, 2021, by and among Holly Logistic Services, L.L.C., certain subsidiaries of Holly Energy Partners, L.P. and certain subsidiaries of HollyFrontier Corporation (incorporated by reference to Exhibit 10.7 to Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.21	Sixth Amended and Restated Master Lease and Access Agreement, dated as of February 8, 2021, effective as of January 1, 2021, by and among certain subsidiaries of Holly Energy Partners, L.P. and certain subsidiaries of HollyFrontier Corporation (incorporated by reference to Exhibit 10.6 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.22	Master Tolling Agreement (Refinery Assets), dated as of November 2, 2015, by and between Frontier El Dorado Refining LLC and Holly Energy Partners-Operating L.P. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed November 3, 2015, File No. 1-03876).
10.23	Amendment to Master Tolling Agreement (Refinery Assets), dated effective January 1, 2017, by and among HollyFrontier El Dorado Refining LLC, HollyFrontier Woods Cross Refining LLC, and Holly Energy Partners-Operating, L.P. (incorporated by reference to Exhibit 10.7 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2017, File No. 1-03876).
10.24	Amended and Restated Master Tolling Agreement (Operating Assets), dated October 3, 2016, by and between HollyFrontier El Dorado Refining LLC, HollyFrontier Woods Cross Refining LLC, Holly Energy Partners - Operating L.P., HollyFrontier Corporation and Holly Energy Partners, L.P. (incorporated by reference to Exhibit 10.2 to Registrant's Current Report on Form 8-K filed October 4, 2016, File No. 1-03876).
10.25	Amendment to Amended and Restated Master Tolling Agreement (Operating Assets), dated effective January 1, 2017, by and among HollyFrontier El Dorado Refining LLC, HollyFrontier Woods Cross Refining LLC, and Holly Energy Partners-Operating, L.P. (incorporated by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2017, File No. 1-03876).

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Exhibit Number	Description
10.26	Second Amendment to Amended and Restated Master Tolling Agreement (Operating Assets), dated effective October 29, 2018, by and between HollyFrontier El Dorado Refining LLC, HollyFrontier Woods Cross Refining LLC and Holly Energy Partners - Operating L.P. (incorporated by reference to Exhibit 10.7 of Registrant's Current Report on Form 8-K filed November 1, 2018, File No. 1-03846).
10.27	Pipeline Deficiency Agreement, dated August 8, 2016, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners - Operating, L.P. (incorporated by reference to Exhibit 10.5 to Registrant's Current Report on Form 8-K filed August 10, 2016, File No. 1-03876).
10.28	Construction Payment Agreement, dated October 29, 2018, effective December 13, 2017, by and among HEP Tulsa, LLC and HollyFrontier Refining & Marketing LLC (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed November 1, 2018, File No. 1-03876).
10.29	Services Agreement, entered into as of February 8, 2021, effective as of January 1, 2021, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners – Operating, L.P. (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.30	Asset Lease Agreement, entered into as of February 8, 2021, effective as of January 1, 2021, by and between Cheyenne Logistics LLC and Cheyenne Renewable Diesel Company LLC (incorporated by reference to Exhibit 10.4 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.31	Letter Agreement entered into on February 8, 2021, effective as of January 1, 2021, by and between HollyFrontier Refining & Marketing LLC and Holly Energy Partners – Operating, L.P. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed February 11, 2021, File No. 1-03876).
10.32	Letter Agreement, dated as of August 2, 2021, by and among HollyFrontier Corporation and Holly Energy Partners, L.P. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed August 3, 2021, File No. 1-03876).
10.33†	Stockholders Agreement, dated as of August 2, 2021, by and among Hippo Parent Corporation, The Sinclair Companies, and the stockholders set forth on Schedule I thereto, as may be amended from time to time (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed August 3, 2021, File No. 1-03876).
10.34+	HollyFrontier Corporation Long-Term Incentive Compensation Plan (formerly the Holly Corporation Long-Term Incentive Compensation Plan), as amended and restated on May 24, 2007 as approved at the Annual Meeting of Stockholders of Holly Corporation on May 24, 2007 (incorporated by reference to Exhibit 10.4 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2008, File No. 1-03876).
10.35+	First Amendment to the HollyFrontier Corporation Long-Term Incentive Compensation Plan (incorporated by reference to Exhibit 10.5 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2008, File No. 1-03876).
10.36+	Second Amendment to the HollyFrontier Corporation Long-Term Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed May 18, 2011, File No. 1-03876).
10.37+	Third Amendment to the HollyFrontier Corporation Long-Term Incentive Compensation Plan (incorporated by reference to Exhibit 4.6 of the Registrant's Registration Statement on Form S-8 filed November 9, 2012, File No. 333-184877).
10.38+	Fourth Amendment to the HollyFrontier Corporation Long-Term Incentive Compensation Plan (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed May 15, 2015, File No. 1-03876).
10.39+	Fifth Amendment to the HollyFrontier Corporation Long-Term Incentive Plan, effective May 11, 2016 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed May 16, 2016, File No. 1-03876).
10.40+	HollyFrontier Corporation 2020 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K for filed May 15, 2020, File No. 1-03876).
10.41+	HollyFrontier Corporation Long-Term Incentive Plan UK Sub-Plan, effective February 14, 2017 (incorporated by reference to Exhibit 10.43 of Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, File No. 1-03876).

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Exhibit Number	Description
10.42+	HollyFrontier Corporation 2020 Long-Term Incentive Plan Sub-Plan for UK Employees (incorporated by reference to Exhibit 4.4 of Registrant's Registration Statement on Form S-8 filed June 1, 2020, File No. 333-238835).
10.43+	HollyFrontier Corporation Employee Form of Change in Control Agreement (incorporated by reference to Exhibit 10.46 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2016, File No. 1-03876).
10.44+	Form of Performance Share Unit Agreement (incorporated by reference to Exhibit 10.42 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2019, File No. 1-03876).
10.45+	Form of Performance Share Unit Agreement (incorporated by reference to Exhibit 10.3 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020, File No. 1-03876).
10.46+	Form of Performance Share Unit Agreement (incorporated by reference to Exhibit 10.41 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 1, 2020, File No. 1-03876).
10.47+*	Form of Performance Share Unit Agreement.
10.48+*	Form of Restricted Stock Unit Agreement (for non-employee directors).
10.49+*	Form of Notice of Grant of Restricted Stock Units (for non-employee directors).
10.50+	Form of Restricted Stock Unit Agreement (for employees) (incorporated by reference to Exhibit 10.49 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2019, File No. 1-03876).
10.51+	Form of Restricted Stock Unit Agreement (for employees) (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020, File No. 1-03876).
10.52+	Form of Notice of Grant of Restricted Stock Units (for employees) (incorporated by reference to Exhibit 10.50 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2019, File No. 1-03876).
10.53+	Form of Restricted Stock Unit Agreement (for employees) (incorporated by reference to Exhibit 10.49 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2020, File No. 1-03876).
10.54+	Form of Notice of Grant of Restricted Stock Units (for employees) (incorporated by reference to Exhibit 10.50 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2020, File No. 1-03876).
10.55+*	Form of Restricted Stock Unit Agreement (for employees).
10.56+*	Form of Notice of Grant of Restricted Stock Units (for employees).
10.57+	HollyFrontier Corporation Executive Nonqualified Deferred Compensation Plan (formerly the Frontier Deferred Compensation Plan) (incorporated by reference to Exhibit 10.73 of Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2012, File No. 1-03876).
10.58+	HollyFrontier Corporation Director's Stock Compensation Deferral Plan (incorporated by reference to Exhibit 10.3 of Registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021, File No. 1-03876).
10.59+	Form of HollyFrontier Corporation Indemnification Agreement to be entered into with officers and directors of HollyFrontier Corporation and its subsidiaries (incorporated by reference to Exhibit 10.2 of registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019, File no. 1-03876).
21.1*	Subsidiaries of Registrant
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer under Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.

HOLLYFRONTIER CORPORATION
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<u>Exhibit Number</u>	<u>Description</u>
101++	The following financial information from Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2020, formatted as inline XBRL (Inline Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, and (vi) Notes to the Consolidated Financial Statements. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
104++	Cover page Interactive Data File (formatted as inline XBRL and contained in exhibit 101).

* Filed herewith.

** Furnished herewith.

+ Constitutes management contracts or compensatory plans or arrangements.

++ Filed electronically herewith.

† Schedules and certain exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant agrees to furnish supplementally a copy of the omitted schedules and exhibits to the SEC upon request.

**HOLLYFRONTIER CORPORATION
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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOLLYFRONTIER CORPORATION

(Registrant)

Date: February 23, 2022

/s/ Michael C. Jennings

Michael C. Jennings
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and as of the date indicated.

<u>Signature</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ Michael C. Jennings</u> Michael C. Jennings	Chief Executive Officer and Director	February 23, 2022
<u>/s/ Richard L. Voliva III</u> Richard L. Voliva III	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 23, 2022
<u>/s/ Indira Agarwal</u> Indira Agarwal	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	February 23, 2022
<u>/s/ Franklin Myers</u> Franklin Myers	Chairman of the Board	February 23, 2022
<u>/s/ Anne-Marie N. Ainsworth</u> Anne-Marie N. Ainsworth	Director	February 23, 2022
<u>/s/ Anna C. Catalano</u> Anna C. Catalano	Director	February 23, 2022
<u>/s/ Leldon Echols</u> Leldon Echols	Director	February 23, 2022
<u>/s/ Manuel J. Fernandez</u> Manuel J. Fernandez	Director	February 23, 2022
<u>/s/ R. Craig Knocke</u> R. Craig Knocke	Director	February 23, 2022
<u>/s/ Robert J. Kostelnik</u> Robert J. Kostelnik	Director	February 23, 2022
<u>/s/ James H. Lee</u> James H. Lee	Director	February 23, 2022
<u>/s/ Michael E. Rose</u> Michael E. Rose	Director	February 23, 2022

DESCRIPTION OF COMMON STOCK

General

HollyFrontier Corporation (“HollyFrontier,” “we,” or “our”) is incorporated in the state of Delaware. The rights of our stockholders are generally covered by Delaware law and our certificate of incorporation (“Certificate”) and by-laws (“By-Laws”) (each as amended and restated and in effect as of the date hereof). The terms of our common stock are therefore subject to Delaware law, including the Delaware General Corporation Law (the “DGCL”), and the common and constitutional law of Delaware.

This exhibit describes the general terms of our common stock. This is a summary and does not purport to be complete. Our Certificate and By-Laws as they exist on the date of this Annual Report on Form 10-K are incorporated by reference or filed as an exhibit to the Annual Report on Form 10-K of which this exhibit is a part, and amendments or restatements of each will be filed with the Securities and Exchange Commission (the “Commission”) in future periodic or current reports in accordance with the rules of the SEC. You are encouraged to read those documents.

For more detailed information about the rights of our common stock, you should refer to our Certificate, By-Laws and the applicable provisions of Delaware law, including the DGCL, for additional information.

Common Stock

Our authorized common stock consists of 320,000,000 shares, par value \$0.01 per share.

Dividend Rights

Each share of our common stock is entitled to participate equally in dividends as and when declared by our Board of Directors. The payment of dividends on our common stock may be limited by obligations we may have to holders of any preferred stock.

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to them. Holders of our common stock do not have cumulative voting rights, meaning that holders of a majority of the shares of common stock voting for the election of directors can elect all the directors if they choose to do so.

Liquidation Rights

If we liquidate or dissolve our business, whether voluntarily or involuntarily, the holders of common stock will share ratably in the distribution of assets available for distribution to stockholders after creditors are paid and preferred stockholders, if any, receive their distributions.

Other Matters

The shares of common stock have no preemptive rights and are not convertible, redeemable or assessable or entitled to the benefits of any sinking fund.

Anti-Takeover Provisions

Certain provisions of the DGCL, our Certificate and our By-Laws summarized below may have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a stockholder might consider in his or her best interest, including those attempts that might result in a premium over the market price for our common stock.

Preferred Stock

Our authorized preferred stock consists of 5,000,000 shares, par value \$1.00 per share, issuable in series. Our Board of Directors can, without action by stockholders, issue one or more series of preferred stock. Our Board of Directors can determine for each series the number of shares, designation, relative voting rights, dividend rates, liquidation and other rights, preferences and limitations. In some cases, the issuance of preferred stock could delay or discourage a change in control of us.

The issuance of preferred stock, while providing desired flexibility in connection with possible acquisitions and other corporate purposes, could adversely affect the voting power of holders of our common stock. It could also affect the likelihood that holders of our common stock will receive dividend payments and payments upon liquidation.

Stockholder Proposals and Director Nominations

Our stockholders can submit stockholder proposals and nominate candidates for our Board of Directors if the stockholders follow advance notice procedures described in our By-Laws. Generally, stockholders must submit a written notice between 90 and 120 days before the first anniversary of the date of our previous year's annual stockholders' meeting.

The notice must set forth specific information regarding the stockholder and the proposal or director nominee, as described in our By-Laws. These requirements are in addition to those set forth in the regulations adopted by the SEC under the Securities Exchange Act of 1934.

Proxy Access

Our By-Laws permit a stockholder, or a group of up to 20 stockholders (with funds having specified relationships constituting a single stockholder), owning 3% or more of our outstanding common stock continuously for at least three years, to nominate and include in our proxy materials director nominees constituting up to the greater of two individuals or 20% of our Board of Directors (rounded down to the nearest whole number), provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in our By-Laws and subject to the other terms and conditions set forth in our By-Laws. A stockholder's Proxy Access Notice must be submitted

not less than 120 calendar days before the first anniversary of the date our proxy statement was released to stockholders for the previous year's annual stockholders' meeting.

Stockholder Meetings; Action by Written Consent

Pursuant to our By-Laws, special meetings of stockholders may be called by the Chief Executive Officer or at the request in writing of a majority of our Board of Directors, a majority of the Executive Committee of HollyFrontier, or of stockholders owning a majority of the outstanding shares of our common stock. At any special meeting of the stockholders, only such nominations or business may be conducted or considered as shall have been properly brought before the meeting pursuant to the notice of meeting.

Our stockholders may act by written consent without a meeting, subject to the requirements in our By-Laws for setting a record date for the written consent. Any stockholder seeking to have the stockholders authorize or take corporate action must request that our Board of Directors fix a record date. Such notice must include the same information required for a stockholder proposal and be submitted to our Board of Directors as described in our By-Laws.

Size of Board and Vacancies; Removal

Our By-Laws provide that our Board of Directors will consist of between three and fourteen directors, as determined by resolution of the Board. Directors are elected to hold office until the next annual meeting. Vacancies on our Board of Directors shall be filled by a majority of the directors then in office.

Our By-Laws provide that at any meeting of the stockholders called for the purpose any director may, by vote of stockholders entitled to cast a majority of the votes then entitled to vote in the election of directors, be removed from office with or without cause.

Delaware Anti-takeover Statute

We are a Delaware corporation and are subject to Section 203 of the DGCL. In general, Section 203 prevents us from engaging in a business combination with an "interested stockholder" (generally, a person owning 15% or more of our outstanding voting stock) for three years following the time that person becomes a 15% stockholder unless one of the following is satisfied:

- before that person became a 15% stockholder, our Board of Directors approved the transaction in which the stockholder became a 15% stockholder or approved the business combination;
- upon completion of the transaction that resulted in the stockholder becoming a 15% stockholder, the stockholder owned at least 85% of our voting stock outstanding at the time the transaction began (excluding stock held by directors who are also officers and by employee stock plans that do not provide employees

with the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer); and

- after the transaction in which that person became a 15% stockholder, the business combination is approved by our Board of Directors and authorized at a stockholders' meeting by at least two-thirds of the outstanding voting stock not owned by the 15% stockholder.

Under Section 203, these restrictions also do not apply to certain business combinations proposed by a 15% stockholder following the disclosure of an extraordinary transaction with a person who was not a 15% stockholder during the previous three years or who became a 15% stockholder with the approval of a majority of our directors. This exception applies only if the extraordinary transaction is approved or not opposed by a majority of our directors who were directors before any person became a 15% stockholder in the previous three years, or the successors of these directors.

Other Provisions

Our By-Laws provide that our By-Laws may be amended or repealed, or new by-laws may be adopted, only by the affirmative vote of the holders of not less than 67% of the stock issued and outstanding and entitled to vote at any regular or special meeting of the stockholders, if notice of the proposed alteration or amendment be contained in the notice of meeting, or by the affirmative vote of a majority of our Board of Directors. Our Certificate also provides that our Board of Directors is expressly authorized to amend or repeal our By-Laws.

Listing

Our common stock is listed on the New York Stock Exchange and trades under the symbol "HFC."

Transfer Agent and Registrar

EQ Shareowner Services is our transfer agent and registrar.

THIRD AMENDMENT TO
SENIOR UNSECURED 5-YEAR REVOLVING CREDIT AGREEMENT

dated as of December 27, 2021

among

HOLLYFRONTIER CORPORATION,
as Borrower,

The Lenders Party Hereto,

and

MUFG BANK, LTD.,
as Administrative Agent

THIRD AMENDMENT TO
SENIOR UNSECURED 5-YEAR REVOLVING CREDIT AGREEMENT

THIS THIRD AMENDMENT TO SENIOR UNSECURED 5-YEAR REVOLVING CREDIT AGREEMENT (this "Amendment") dated as of December 27, 2021 (the "Third Amendment Effective Date"), is among HOLLYFRONTIER CORPORATION, a Delaware corporation, as the Borrower, the parties hereto that are LENDERS (the "Lenders", and individually, each a "Lender"), and MUFG BANK, LTD. (formerly known as The Bank of Tokyo Mitsubishi, Ltd.), as the Administrative Agent.

RECITALS

A. The Borrower, the Administrative Agent, and the Lenders are parties to that certain Senior Unsecured 5-Year Revolving Credit Agreement dated as of July 1, 2014 (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017, as amended by the Second Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of April 30, 2021, and as further amended prior to the date hereof, the "Credit Agreement"), pursuant to which such Lenders have made certain credit available to and on behalf of the Borrower.

B. The Borrower has requested that the Administrative Agent and the Lenders amend, and the Administrative Agent and the Lenders have agreed to amend, the Credit Agreement as herein set forth (the Credit Agreement, as the same shall be amended by this Amendment and as may be further amended, restated, supplemented or otherwise modified from time to time, hereinafter referred to as the "Amended Credit Agreement").

C. Now, therefore, to induce the Administrative Agent and the Lenders to enter into this Amendment and in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I Defined Terms

a. Each capitalized term used herein but not otherwise defined herein has the meaning given such term in the Amended Credit Agreement. Unless otherwise indicated, all annex, article, exhibit, schedule and section references in this Amendment refer to annexes, articles, exhibits, schedules or sections of the Amended Credit Agreement, as applicable.

ARTICLE II Amendments to the Credit Agreement. The Credit Agreement, together with all annexes, exhibits and schedules thereto, is hereby amended in its entirety to read as set forth in the attached Annex 1.

ARTICLE III Conditions Precedent

The effectiveness of the amendment to the Credit Agreement set forth in Section 2 hereof is subject to the satisfaction (or waiver in accordance with Section 9.02 of the Amended Credit Agreement) of the following conditions precedent:

Section 3.01 The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Amendment signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include electronic transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment.

Section 3.02 The Borrower shall have paid all reasonable and documented fees and expenses due and payable on or prior to the Third Amendment Effective Date, including, to the extent invoiced not later than three Business Days prior to the Third Amendment Effective Date, all reasonable and documented fees and expenses of the Administrative Agent and its Affiliates in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees, disbursements and other charges of Holland & Knight LLP, counsel to the Administrative Agent.

Section 3.03 The Administrative Agent shall have received a certificate, dated the Third Amendment Effective Date and signed by a Responsible Officer of the Borrower, certifying that, as of the Third Amendment Effective Date, (A) the representations and warranties of the Borrower set forth in the Amended Credit Agreement and in the other Loan Documents are true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of the Third Amendment Effective Date, except to the extent any such representations and warranties are expressly limited to an earlier date (including the Revolving Effective Date), in which case, on and as of such date, such representations and warranties continue to be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as materiality, the accuracy in all respects of such representations and warranties) as of such specified earlier date and (B) at the time of and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

Section 3.04 The Administrative Agent shall have received such other documents and agreements as the Administrative Agent may reasonably request.

ARTICLE IV Miscellaneous

Section 4.01 Confirmation. The provisions of the Credit Agreement, as amended by this Amendment, remain in full force and effect following the effectiveness of this Amendment. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

Section 4.02 Ratification and Affirmation. The Borrower hereby:

- (a) acknowledges the terms of this Amendment, and
- (b) ratifies and affirms its obligations, and acknowledges its continued liability, under each Loan Document to which it is a party and agrees that each Loan Document to which it is a party remains in full force and effect as expressly amended hereby.

Section 4.03 Incorporation of Specified Terms and Provisions. The terms and provisions of each of Section 9.02, Section 9.03, Section 9.04(b), Section 9.05, Section 9.06, Section 9.07, Section 9.10, Section 9.11, Section 9.12 and Section 9.16 of the Amended Credit Agreement are incorporated into this Amendment *mutatis mutandis*.

Section 4.04 Loan Document. This Amendment is a Loan Document.

[SIGNATURES BEGIN NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the Third Amendment Effective Date.

BORROWER:

HOLLYFRONTIER CORPORATION

By: /s/ John Harrison

Name: John Harrison

Title: Vice President, Finance, Strategy, and Treasurer

[Signature Page to First Amendment to Second Amended and Restated Credit Agreement]

MUFG BANK, LTD., as the Administrative Agent

By: /s/ Lawrence Blat

Name: Lawrence Blat

Title: Authorized Signatory

MUFG BANK, LTD., as the Swingline Lender, an Issuing Bank and a Lender

By: /s/ Christopher Facenda

Name: Christopher Facenda

Title: Authorized Signatory

[Signature Page to 3rd Amendment to HFC Credit Agmt]

WELLS FARGO BANK, N.A., as the Syndication Agent, an Issuing Bank and a Lender

By: /s/ Borden Tennant

Name: Borden Tennant

Title: Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

BANK OF AMERICA, N.A., as a Co-Documentation Agent, an Issuing Bank and a Lender

By: /s/ Alia Qaddumi

Name: Alia Qaddumi

Title: Director

[Signature Page to 3rd Amendment to HFC Credit Agmt]

CITIBANK, N.A., as a Co-Documentation Agent, an Issuing Bank and
a Lender

By: /s/ Gabe Juarez

Name: Gabe Juarez

Title: Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

THE TORONTO-DOMINION BANK, NEW YORK BRANCH, as a
Co-Documentation Agent, an Issuing Bank and a Lender

By: /s/ Michael Borowiecki
Name: Michael Borowiecki
Title: Authorized Signatory

[Signature Page to 3rd Amendment to HFC Credit Agmt]

THE BANK OF NOVA SCOTIA, HOUSTON BRANCH, as a Co-Documentation Agent and a Lender

By: /s/ Donovan Crandall

Name: Donovan Crandall

Title: Managing Director

[Signature Page to 3rd Amendment to HFC Credit Agmt]

SUMITOMO MITSUI BANKING CORPORATION, as a Co-Documentation Agent and a Lender

By: /s/ Jeffrey Cobb
Name: Jeffrey Cobb
Title: Director

[Signature Page to 3rd Amendment to HFC Credit Agmt]

TRUIST BANK, as a Co-Documentation Agent and a Lender

By: /s/ Samantha Sanford

Name: Samantha Sanford

Title: Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Dan Martis

Name: Dan Martis

Title: Authorized Signatory

[Signature Page to 3rd Amendment to HFC Credit Agmt]

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ John Prigge

Name: John Prigge

Title: Senior Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

BNP PARIBAS, as a Lender

By: /s/ Joseph Onischuk

Name: Joseph Onischuk

Title: Managing Director

By: /s/ Nicolas Anberree

Name: Nicolas Anberree

Title: Director

[Signature Page to 3rd Amendment to HFC Credit Agmt]

BARCLAYS BANK, PLC, as a Lender

By: /s/ May Huang

Name: May Huang

Title: Assistant Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

COMERICA BANK, as a Lender

By: /s/ Gerald R. Finney Jr.

Name: Gerald R. Finney Jr.

Title: Senior Vice President

[Signature Page to 3rd Amendment to HFC Credit Agmt]

CITIZENS BANK N.A., as a Lender

By: /s/ John Corley

Name: John Corley

Title: Director

[Signature Page to 3rd Amendment to HFC Credit Agmt]

**Annex I to Third Amendment
to Senior Unsecured 5-Year Revolving Credit Agreement**

[See attached.]

SENIOR UNSECURED 5-YEAR REVOLVING CREDIT AGREEMENT

dated as of July 1, 2014
(as amended February 16, 2017, April 30, 2021 and December 27, 2021)

among

HOLLYFRONTIER CORPORATION,

The Lenders Party Hereto

and

MUFG BANK, LTD.,
as Administrative Agent

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Syndication Agent

and

BANK OF AMERICA, N.A., CITIBANK, N.A.,
SUMITOMO MITSUI BANKING CORPORATION,
THE BANK OF NOVA SCOTIA, HOUSTON BRANCH,
THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
and TRUIST BANK,
as Co-Documentation Agents

MUFG BANK, LTD.,
WELLS FARGO SECURITIES, LLC,
CITIGROUP GLOBAL MARKETS INC.,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
SUMITOMO MITSUI BANKING CORPORATION, TD SECURITIES (USA) LLC,
THE BANK OF NOVA SCOTIA, HOUSTON BRANCH,
and TRUIST SECURITIES, INC.,
as Joint Lead Arrangers

MUFG BANK, LTD.,
WELLS FARGO SECURITIES, LLC,
as Joint Bookrunners

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SENIOR UNSECURED 5-YEAR REVOLVING CREDIT AGREEMENT, dated as of July 1, 2014 (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017, the Second Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of April 30, 2021, the Third Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of December 27, 2021 (the “Third Amendment”), and as the same may be further amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), among HOLLYFRONTIER CORPORATION, a Delaware corporation, as the Borrower, the LENDERS party hereto, MUFG BANK, LTD., as the Administrative Agent, WELLS FARGO BANK, NATIONAL ASSOCIATION, as the Syndication Agent and BANK OF AMERICA, N.A., CITIBANK, N.A., SUMITOMO MITSUI BANKING CORPORATION, THE BANK OF NOVA SCOTIA, HOUSTON BRANCH, THE TORONTO-DOMINION BANK, NEW YORK BRANCH, and TRUIST BANK, as the Co-Documentation Agents.

The parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“ABR”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“Adjusted Eurocurrency Rate” means, with respect to any Eurocurrency Borrowing for any Interest Period, an interest rate per annum equal to (a) the Eurocurrency Rate for such Interest Period divided by (b) one minus the Eurocurrency Reserve Percentage.

“Administrative Agent” means MUFG Bank, Ltd. (or any of its designated branch offices or affiliates), in its capacity as administrative agent for the Lenders hereunder, and any successor in such capacity.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreed Currency” has the meaning set forth in Section 2.23.

“Agreement” has the meaning set forth in the introductory paragraph hereto.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c)(i) prior to the USD LIBOR Transition Date, the Adjusted Eurocurrency Rate for dollars for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) (taking into account any Eurocurrency Rate floor set forth in the definition of “Eurocurrency Rate”) plus 1% and (ii) on and after the USD LIBOR

Transition Date either (A) if Term RFR is the Benchmark for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, Term RFR for dollars for a one month Interest Period on such day (taking into account any Term RFR floor set forth in the definition of “Spread Adjusted Term SOFR”) plus 1% or (B) if Daily Simple RFR is the Benchmark for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, Daily Simple RFR for dollars in effect on such day (taking into account any RFR Floor set forth in the definition of “Daily Simple RFR”) plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate, such Adjusted Eurocurrency Rate, Daily Simple RFR or Term RFR, as applicable, shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate, such Adjusted Eurocurrency Rate, Daily Simple RFR or Term RFR, respectively.

“Alternative Currency” means each of Canadian dollars, Euros and Sterling.

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or the Issuing Bank, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with dollars.

“Alternative Currency LC Sublimit” means an amount equal to \$250,000,000. The Alternative Currency LC Sublimit is part of and not additive to the total LC Sublimit.

“Announcements” has the meaning set forth in Section 1.07.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Percentage” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect after giving effect to any assignments.

“Applicable Rate” means, for any day, with respect to any ABR Loan, CDOR Loan, Eurocurrency Loan or Transitioned RFR Loan or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth on the Pricing Schedule under the caption “ABR Margin”, “CDOR Margin”, “Eurocurrency Margin”, or “Commitment Fee”, as the case may be, based upon the ratings by Moody’s and S&P, respectively, applicable on such date to the Index Debt.

“Approved Fund” has the meaning set forth in Section 9.04(b).

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, substantially in the form of Exhibit A or any other form approved by the Administrative Agent.

“Availability Period” means the period from and including the Revolving Effective Date to but excluding the earlier of (i) the Maturity Date and (ii) the date of termination of the Commitments.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark for any Eurocurrency Loan, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.24(d).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Event” means, with respect to any Person, such Person (i) becomes the subject of a bankruptcy or insolvency proceeding, (ii) has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or (iii) has become the subject of a Bail-In Action; provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof; provided further that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Benchmark” means, initially, with respect to any (a) obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, the Adjusted Eurocurrency Rate for dollars; provided that if (i) the USD LIBOR Transition Date has occurred or (ii) a Benchmark Transition Event, a Term RFR Transition Event or an Other Benchmark Rate Election, as applicable, has occurred with respect to the then-current Benchmark for dollars, then “Benchmark” means, with respect to such obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.24(a), or (b) obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Sterling or Euros, the Daily Simple RFR applicable for such Currency; provided that if a Benchmark Transition Event or a Term RFR Transition Event, as applicable, has occurred with respect to such Daily Simple RFR or the then-current Benchmark for such Currency, then “Benchmark” means, with respect to such obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.24(a).

“Benchmark Replacement” means, for any Available Tenor,

(a) with respect to any Benchmark Transition Event for any then-current Benchmark, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for such Benchmark giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for syndicated credit facilities denominated in the applicable Currency at such time and (ii) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

(b) with respect to the USD LIBOR Transition Date, for any Available Tenor of the Adjusted Eurocurrency Rate for dollars, the first alternative set forth in the order below that can be determined by the Administrative Agent for the USD LIBOR Transition Date:

(2) Term RFR for dollars;

(3) Daily Simple RFR for dollars; or

(4) the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the Adjusted Eurocurrency Rate for dollars giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the Adjusted Eurocurrency Rate for dollars for syndicated credit facilities denominated in dollars at such time and (B) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

(c) with respect to any Term RFR Transition Event for any applicable Currency, the Term RFR for such Currency; or

(d) with respect to any Other Benchmark Rate Election, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the Adjusted Eurocurrency Rate for dollars giving due consideration to any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the Adjusted Eurocurrency Rate for dollars for syndicated credit facilities denominated in dollars at such time and (ii) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, for purposes of:

(a) clauses (a) and (b)(3) of the definition of “Benchmark Replacement”, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement

for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Currency; and

(b) clause (d) of the definition of “Benchmark Replacement”, with respect to any replacement of the Adjusted Eurocurrency Rate for dollars with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Adjusted Eurocurrency Rate for dollars with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in dollars at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate” (if applicable), the definition of “Business Day,” the definition of “Interest Period”, the definition of “Eurocurrency Banking Day”, the definition of “RFR Business Day”, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of Section 2.16 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark for any applicable Currency:

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

(b) in the case of clause (c) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication

referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date;

(c) in the case of a Term RFR Transition Event for such applicable Currency, the Term RFR Transition Date applicable thereto; or

(d) in the case of an Other Benchmark Rate Election, the sixth (6th) Business Day after the date notice of such Other Benchmark Rate Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Other Benchmark Rate Election is provided to the Lenders, written notice of objection to such Other Benchmark Rate Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (A) if the event giving rise to the Benchmark Replacement Date for any Benchmark occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such Benchmark and for such determination and (B) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, with respect to the then-current Benchmark for any applicable Currency (other than Adjusted Eurocurrency Rate for dollars), the occurrence of one or more of the following events with respect to such Benchmark:

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

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

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such

component thereof) are no longer, or as of a specified future date will no longer be, representative.

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

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

“Benchmark Unavailability Period” means, with respect to (a) the Adjusted Eurocurrency Rate for dollars, the period (if any) (i) beginning at the time that the USD LIBOR Transition Date has occurred pursuant to clause (a) of that definition if, at such time, no Benchmark Replacement has replaced the Adjusted Eurocurrency Rate for dollars for all purposes hereunder and under any Loan Document in accordance with Section 2.24 and (ii) ending at the time that a Benchmark Replacement has replaced the Adjusted Eurocurrency Rate for dollars for all purposes hereunder and under any Loan Document in accordance with Section 2.24 and (b) any then-current Benchmark for any applicable Currency other than the Adjusted Eurocurrency Rate for dollars, the period (if any) (i) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24 and (ii) ending at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 CFR § 1010.230.

“Benefit Arrangement” means at any time an employee benefit plan within the meaning of Section 3(3) of ERISA which is not a Plan or a Multiemployer Plan and which is maintained or otherwise contributed to by any ERISA Affiliate.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrower” means HollyFrontier Corporation, a Delaware corporation, and any surviving entity of a merger with such Person that is permitted by Section 6.03.

“Borrowing” means (a) Loans of the same Type, made, converted or continued on the same date and, in the case of a CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, having the same Interest Period made by the Lenders; or (b) a Swingline Loan.

“Borrowing Request” means a request by the Borrower for a Borrowing in accordance with Section 2.05.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a CDOR Loan, the term “Business Day” shall also exclude any day which is a holiday (as defined in the *Interpretation Act* (Canada) in Toronto, Ontario, and any other day on which commercial banks in Toronto, Ontario are authorized or required by law to remain closed.

“Canadian dollars” and “C\$” mean the lawful currency of Canada.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Cash Equivalents” means:

- (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States of America or issued by any agency thereof and backed by the full faith and credit of the United States of America, in each case maturing within two years from the date of acquisition;
- (b) direct obligations issued or fully guaranteed by (i) any state of the United States or (ii) any political subdivision of any such state or any public instrumentality which, at the time of acquisition, having a debt rating of at least A- (or then equivalent rating) from S&P or A3 (or then equivalent rating) from Moody’s, in each case maturing within two years from the date of acquisition thereof;
- (c) certificates of deposit, time deposits, Eurocurrency time deposits, money market accounts, overnight bank deposits or bankers’ acceptances maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, any Lender or commercial bank organized under the laws of the United States of America or any state thereof having combined capital and surplus of not less than \$500,000,000;
- (d) commercial paper of an issuer rated at the date of acquisition at least A-2 (or then equivalent rating) by S&P or P-2 (or then equivalent rating) by Moody’s, or carrying an equivalent rating by a nationally recognized rating agency and maturing within 270 days from the date of acquisition;
- (e) debt securities having, at the time of acquisition, a long-term, unsecured debt rating of at least A- (or then equivalent rating) from S&P or A3 (or then equivalent rating) from Moody’s or carrying an equivalent rating by a nationally recognized rating agency with maturities or put rights of not more than 24 months from the date of acquisition;
- (f) fully collateralized repurchase agreements with a term of not more than 90 days for securities described in clauses (a) through (e) above and entered into with a financial institution satisfying the criteria describe in clause (c) above or recognized securities dealer having a rating of at least A-2 (or then equivalent

grade) by S&P or P-2 (or then equivalent grade) by Moody's or carrying an equivalent rating by a nationally recognized rating agency;

- (g) investments in money market mutual or similar funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (f) above;
- (h) deposits available for withdrawal on demand with any commercial bank not meeting the qualifications in clause (c) above, provided that all such deposits do not exceed \$10,000,000 in the aggregate at any one time;
- (i) any non-rated securities or investments of the types described in clauses (a) through (g) above so long as the Borrower's third party, nationally-recognized investment manager deems that such security or investment has the same credit quality with the minimum credit rating as the types of securities and Investments described in clauses (a) through (g) above, as applicable;
- (j) in the case of the Borrower or any Subsidiary organized or operating outside the United States, other short-term investments that are analogous to the foregoing, are of comparable credit quality and are customarily used by companies in the applicable foreign jurisdiction for cash management purposes; and
- (k) any other investments permitted by the Borrower's investment policy, as such investment policy may be modified from time to time after the Second Amendment Effective Date, that have been approved by the Administrative Agent in its sole discretion.

"CDOR" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the CDOR Rate. CDOR Loans may be denominated in Canadian dollars.

"CDOR Rate" means, on any day for any period, the annual rate of interest equivalent to the discount determined by the Administrative Agent which is equal to the simple average of the yield rates per annum applicable to bankers' acceptances denominated in Canadian dollars having, issue dates and maturity dates consistent with that period, displayed and identified as such on the CDOR Page (or any display substituted therefor) of the Reuters Monitor Money Rates Service at approximately 10:00 a.m. (Toronto time) on that day or, if that day is not a Business Day on the immediately preceding Business Day (as adjusted by the Administrative Agent after 10:00 a.m. (Toronto time) to reflect any error in the posted average rate of interest); provided, however, if those rates do not appear on the CDOR Page (or the display substituted therefor), then the CDOR Rate on that day for the relevant period shall be the annual rate of interest determined by the Administrative Agent which is equal to the simple average of the yield rates per annum (rounded upwards to the nearest 1/100th of one percent (1%)) applicable to bankers' acceptances in a market representative amount and having a term comparable to that period, quoted by the Joint Lead Arrangers and their affiliates as of 10:00 a.m. (Toronto time) on that day or, if that day is not a Business Day, on the immediately preceding Business Day for that period (and, if any such rate is below zero, CDOR will be deemed to be zero). Each determination of the CDOR Rate by the Administrative Agent shall be conclusive and binding, absent demonstrated error.

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), other than a Shareholder Controlled Person (as defined below), of Equity

Interests representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower (excluding, however, any such person or group entitled to report such ownership on Schedule 13G in accordance with Rule 13d-1(b)(1) or (2)); or (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who are not Continuing Directors. As used herein, (i) “Shareholder Controlled Person” means a Person as to which more than fifty percent (50%) of such Person’s voting Equity Interests is owned by Persons who owned more than fifty percent (50%) of the voting Equity Interests of the Borrower immediately before the consummation of any acquisition described in *clause (a)* of the definition of “Change in Control” and (ii) “Continuing Directors” means directors who are (x) nominated or approved by the board of directors of the Borrower or (y) appointed by directors so nominated.

“Change in Law” means the occurrence after the date of this Agreement (or, with respect to any Person that becomes a Lender after the date hereof, such later date on which such Person becomes a Lender under this Agreement) (a) the adoption of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the interpretation or application thereof by any Governmental Authority or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender’s or such Issuing Bank’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that, notwithstanding anything herein to the contrary, (x) the Dodd- Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Charges” has the meaning set forth in Section 9.14.

“CI Lender” has the meaning set forth in Section 2.02(a).

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Co-Documentation Agents” means, collectively, Bank of America, N.A., Citibank, N.A., Sumitomo Mitsui Banking Corporation, The Bank of Nova Scotia, Houston Branch, The Toronto-Dominion Bank, New York Branch, and Truist Bank, each in its capacity as a co-documentation agent for the Lenders hereunder.

“Commitment” means, with respect to each Lender, the commitment of such Lender to make Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum potential aggregate principal amount of such Lender’s Credit Exposure hereunder, as such commitment may be (a) modified from time to time pursuant to Section 2.02, (b) reduced from time to time pursuant to Section 2.09, or (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable. As of the First Amendment Effective Date, the initial aggregate amount of the Lenders’ Commitments is \$1,350,000,000. For the avoidance of doubt the aggregate amount of the Lenders’ Commitments includes the aggregate amount of the Lenders’ Multicurrency Commitments.

“Commitment Increase” has the meaning set forth in Section 2.02(a).

“Commitment Increase Effective Date” has the meaning set forth in Section 2.02(b).

“Competitor” means (a) any Person who is primarily engaged in businesses of the type primarily conducted by the Borrower and its Subsidiaries and (b) any Affiliate of a Person identified in clause (a) above (it being agreed that an investment firm or other financial institution shall not be deemed to Control a Person described in clause (a) above merely as a result of owning a minority interest in such Person if it does not otherwise Control such Person).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consenting Lenders” has the meaning set forth in Section 2.21(b).

“Consolidated Net Debt” means, at any date and without duplication, the aggregate amount of the Indebtedness of the Borrower and its Subsidiaries of the type described in clause (a), (b), (c), or (f), clause (g) or (h)(so long as obligations specified in either such clause are not contingent) or clause (e)(if the Guarantees specified in such clause are of Indebtedness of the type referred to above) of the definition of “Indebtedness”, less the aggregate amount of (a) cash and Cash Equivalents held by the Borrower and its Subsidiaries at such date to the extent that such cash and Cash Equivalents do not appear (or are not required to appear) as “restricted” on a consolidated balance sheet of the Borrower and its Subsidiaries prepared in accordance with GAAP and (b) cash and Cash Equivalents that have been deposited in a trust account or account created or pledged for the sole benefit of the holders of any Indebtedness of the Borrower or its Subsidiaries that has been defeased pursuant to such deposit and the other applicable terms of the instrument governing such Indebtedness, in each case determined on a consolidated basis in accordance with GAAP.

“Consolidated Net Tangible Assets” means, on any date, the aggregate amount of assets (less applicable accumulated depreciation, depletion and amortization and other reserves and other properly deductible items) of the Borrower and its Subsidiaries, minus (a) all current liabilities of the Borrower and its Subsidiaries (excluding current maturities of long-term debt) and (b) all goodwill of the Borrower and its Subsidiaries, all of the foregoing determined on a consolidated basis in accordance with GAAP.

“Consolidated Net Worth” means, at the date of any determination thereof, the consolidated shareholders’ equity of Borrower and its consolidated Subsidiaries, determined in accordance with GAAP.

“Consolidated Total Assets” means, at any date, the aggregate total assets of the Borrower and its Subsidiaries, determined on a consolidated basis as of such date in accordance with GAAP.

“Consolidated Total Debt” means, at the date of any determination thereof, all Indebtedness of the Borrower and its Subsidiaries, determined on a consolidated basis as of such date in accordance with GAAP.

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

“Credit Party” means the Administrative Agent, any Issuing Bank, the Swingline Lender or any other Lender and “Credit Parties” shall be the collective reference to all of them.

“Credit Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Loans, its LC Exposure and its Swingline Exposure at such time.

“Currencies” means dollars, Euros and Sterling, and “Currency” means any of such Currencies.

“Daily Simple RFR” means, for any day (an “RFR Rate Day”), a rate per annum equal to, for any obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) dollars, on and after the USD LIBOR Transition Date, the greater of (i) Spread Adjusted SOFR for the day (such day, the “SOFR Determination Day”) that is five (5) RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, utilizing the SOFR component of such Spread Adjusted SOFR that is published by the SOFR Administrator on the SOFR Administrator’s Website, and (ii) the Floor, (b) Sterling, the greater of (i) Spread Adjusted SONIA for the day (such day, the “SONIA Determination Day”) that is five (5) RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, utilizing the SONIA component of such Spread Adjusted SONIA that is published by the SONIA Administrator on the SONIA Administrator’s Website, and (ii) the Floor, and (c) Euros, the greater of (i) Spread Adjusted €STR for the day (such day, the “€STR Determination Day”) and together with the SOFR Determination Day and the SONIA Determination Day, as applicable, each an “RFR Determination Day”) that is five (5) RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, utilizing the €STR component of such Spread Adjusted €STR that is published by the €STR Administrator or the €STR Administrator’s Website and (ii) the Floor. If by 5:00 pm (local time for the applicable RFR) on the second (2nd) RFR Business Day immediately following any applicable RFR Determination Day, the RFR in respect of such RFR Determination Day has not been published on the applicable RFR Administrator’s website and a Benchmark Replacement Date with respect to the applicable Daily Simple RFR has not occurred, then the RFR for such RFR Determination Day will be the RFR as published in respect of the first preceding RFR Business Day for which such RFR was published on the applicable RFR Administrator’s website; provided that any RFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Rate Days. Any change in Daily Simple RFR due to a change in the applicable RFR shall be effective from and including the effective date of such change in the RFR without notice to the Borrower.

“Daily Simple RFR Borrowing” means, as to any Borrowing, the Loans bearing interest at a rate based on Daily Simple RFR comprising such Borrowing other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Daily Simple RFR Loan” means a Loan that bears interest at a rate based on Daily Simple RFR other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Defaulting Lender” means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in LC Disbursements or Swingline Loans or (iii) pay over to any Credit Party any other amount required to be paid by such Lender hereunder, unless, in the case of clause (i)

above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied or, in the case of clause (iii) above, such Lender notifies the Administrative Agent in writing that such failure is the result of a good faith dispute with respect to the requirement to pay such amount, (b) has notified the Borrower or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement or generally under other agreements in which it commits to extend credit (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under any such agreement (including this Agreement) cannot be satisfied), (c) has failed, within three Business Days after request by the Borrower, the Administrative Agent, any Issuing Bank or the Swingline Lender, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in LC Disbursements and Swingline Loans under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Borrower's, the Administrative Agent's, the requesting Issuing Bank's or the Swingline Lender's, as applicable, receipt of such certification in form and substance reasonably satisfactory to the Borrower, the Administrative Agent, the requesting Issuing Bank or the Swingline Lender, as applicable, and the Administrative Agent, or (d) has, or has a direct or indirect parent company that has, become the subject of a Bankruptcy Event. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender (subject to Section 2.22(b)) upon delivery of written notice of such determination to the Borrower, each Issuing Bank, the Swingline Lender and each Lender.

"Derivatives Obligations" of any Person means all obligations of such Person in respect of all Hedging Agreements in effect at such time calculated on a net basis by each counterparty.

"Disclosed Matters" means the actions, suits and proceedings and the environmental and intellectual property matters (a) disclosed in (i) the Borrower's report on Form 10-K for the fiscal year ended December 31, 2020, (ii) the Borrower's most recently-filed report on Form 10-Q for the most recent Fiscal Quarter ended prior to the Second Amendment Effective Date and (iii) the Borrower's reports on Form 8-K filed during the period from and including the financial statements referred to in the foregoing clause (ii) to but excluding the date that is two Business Days prior to the Second Amendment Effective Date, in each case as filed with the Securities and Exchange Commission, or (b) otherwise disclosed in writing to the Administrative Agent for the benefit of the Lenders prior to the Second Amendment Effective Date.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in dollars, such amount and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in dollars as determined by the Administrative Agent or the Issuing Bank, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of dollars with such Alternative Currency.

"dollars" or "\$" refers to lawful money of the United States of America, except if the term "dollar" is preceded by the name of another country.

"Early Opt-in Effective Date" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the

Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

“Early Opt-in Election” means the occurrence of: (a) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (b) the joint election by the Administrative Agent and the Borrower to trigger a fallback from the Adjusted Eurocurrency Rate for dollars and the provision by the Administrative Agent of written notice of such election to the Lenders.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Materials or to health and safety matters.

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

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest (other than any debt security which by its terms is convertible at the option of the holder into Equity Interests, to the extent such holder has not so converted such debt security).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the

Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (c) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, other than a standard termination under Section 4041(b) of ERISA; (d) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint the PBGC as trustee to administer any Plan; (e) the incurrence by the Borrower or any of its ERISA Affiliates of any Withdrawal Liability; or (f) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“Erroneous Payment” has the meaning assigned thereto in Section 8.02(a).

“Erroneous Payment Deficiency Assignment” has the meaning assigned thereto in Section 8.02(d).

“Erroneous Payment Impacted Class” has the meaning assigned thereto in Section 8.02(d).

“Erroneous Payment Return Deficiency” has the meaning assigned thereto in Section 8.02(d).

“€STR” means a rate equal to the Euro Short Term Rate as administered by the €STR Administrator.

“€STR Administrator” means the European Central Bank (or any successor administrator of the Euro Short Term Rate).

“€STR Administrator's Website” means the European Central Bank's website, currently at <http://www.ecb.europa.eu>, or any successor source for the Euro Short Term Rate identified as such by the €STR Administrator from time to time.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Euros” and “€” mean the single currency of the Participating Member States.

“Eurocurrency”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Eurocurrency Rate other than pursuant to clause (c) of the definition of “Alternate Base Rate”. Eurocurrency Loans may be denominated in dollars.

“Eurocurrency Banking Day” means, (a) for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, a London Banking Day, (b) for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Euros, a TARGET Day and (c) for obligations under any Loan Document, interest, fees, commissions or other

amounts denominated in, or calculated with respect to, Sterling, a RFR Business Day; provided, that for purposes of notice requirements in Sections 2.03(a) and 2.08(c), in each case, such day is also a Business Day.

“Eurocurrency Rate” means, with respect to any Borrowing for any Interest Period denominated in dollars, the greater of (i) the rate per annum equal to the London interbank offered rate (“USD LIBOR”) as administered by the IBA (or any other Person that takes over the administration of such rate) for dollars for a period equal in length to such Interest Period, as displayed on the applicable Bloomberg page (or on any successor or substitute page or service providing such quotations as determined by the Administrative Agent from time to time; in each case, the “USD LIBOR Rate”) at approximately 11:00 a.m. (London time) two Eurocurrency Banking Days prior to the commencement of such Interest Period and (ii) the Floor.

“Eurocurrency Reserve Percentage” means, for any day during any Interest Period, the reserve percentage in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D) or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans. The Adjusted Eurocurrency Rate for each outstanding Loan shall be adjusted automatically as to the effective date of any change in the Eurocurrency Reserve Percentage.

“Event of Default” has the meaning assigned to such term in Article VII.

“Excluded Parties” means (a) the MLP Parties, (b) each of Wainoco Resources, Inc., Wainoco Oil & Gas Company, Holly Logistics Limited LLC, HollyFrontier Services LLC and HollyFrontier Holdings LLC, (c) any other Subsidiary of the Borrower designated by written notice thereof to the Administrative Agent; provided that immediately before and immediately after giving pro forma effect to such designation, no Default shall have occurred and be continuing, and (d) any subsidiary of any Person then designated an Excluded Party.

“Excluded Subsidiary Debt” means (a) unsecured Indebtedness of Subsidiaries existing on the Second Amendment Effective Date and described on Schedule 6.01, (b) refinancings, extensions, renewals, or refundings of any Indebtedness permitted by clause (a) above, provided that the principal amount thereof is not increased, (c) intercompany Indebtedness that is owed by a Subsidiary to, and Guarantees of intercompany debt issued by such Subsidiary of debt of, the Borrower or another wholly owned Subsidiary, (d) amounts owing pursuant to Securitization Transactions and (e) to the extent that a Subsidiary has provided a Guarantee of the Borrower’s Indebtedness and other obligations existing pursuant to this Agreement, such Subsidiary’s Indebtedness that is pari passu with (or subordinate to) the Indebtedness and other obligations existing pursuant to this Agreement.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the

Borrower under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.17(e) and (d) any U.S. federal withholding Taxes imposed under FATCA.

“Existing Revolving Credit Agreement” means that certain Credit Agreement dated as of July 1, 2011 among the Borrower and certain of its Subsidiaries, as the borrowers, Union Bank, N.A., as administrative agent, and the lenders from time to time party thereto (as amended, supplemented, or otherwise modified prior to the date hereof).

“Extension Confirmation Date” has the meaning set forth in Section 2.21(b).

“Extension Effective Date” has the meaning set forth in Section 2.21(b).

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (and any amended or successor versions thereof that are substantially comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement.

“FCA” has the meaning set forth in Section 1.07.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depository institutions (as determined in such manner as the NYFRB shall set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate; provided, if the Federal Funds Effective Rate determined as provided in this definition for any period would be less than 0.00%, then the Federal Funds Effective Rate for such period shall be deemed to be 0.00%.

“Financial Officer” means the chief financial officer, principal accounting officer, any financial vice president, treasurer, assistant treasurer or controller of the Borrower.

“First Amendment” means that certain First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017 among the Borrower, the Lenders and Issuing Banks party thereto and MUFG Bank, Ltd. (formerly known as The Bank of Tokyo Mitsubishi UFJ, Ltd.), as administrative agent for the Lenders.

“First Amendment Effective Date” means February 16, 2017.

“Fiscal Quarter” means a fiscal quarter of the Borrower, ending on the last day of March, June, September or December of each year.

“Fitch” means Fitch Ratings, Ltd., or any successor to the ratings agency business thereof.

“Floor” means a rate of interest equal to 0.00%.

“Foreign Lender” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

“GAAP” means generally accepted accounting principles in the United States of America.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business.

“Guarantor” means, at any time, each Subsidiary of the Borrower that is party to a Subsidiary Guarantee as a guarantor.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Hedging Agreement” means any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option or similar agreement with respect to any of the foregoing transactions) or any combination of the foregoing transactions; provided that (a) phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or its Subsidiaries and (b) any agreements or obligations to physically sell any commodity at any index-based price, in each case shall not be considered a Hedging Agreement.

“IBA” has the meaning set forth in Section 1.07.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person in respect of the deferred purchase price of property or services that in accordance with GAAP would be required to be shown as a liability on the balance sheet of such Person (excluding (i) accounts payable incurred in the

ordinary course of business, (ii) amounts which are being contested in good faith and for which reserves in conformity with GAAP have been provided, and (iii) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP), (d) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person (other than Liens on Equity Interests in Joint Ventures or Excluded Parties, in each case, which are permitted under Section 6.02(1)), whether or not the Indebtedness secured thereby has been assumed, provided that the amount of any Indebtedness of such Person which constitutes Indebtedness of such Person solely by reason of this clause (d) shall not for purposes of this Agreement exceed the greater of the book value or the fair market value of the properties subject to such Lien, (e) all Guarantees by such Person of Indebtedness of others (other than Guarantees solely in the form of Liens on Equity Interests in Joint Ventures or Excluded Parties, in each case, which are permitted under Section 6.02(1)), (f) all Capital Lease Obligations of such Person, (g) all obligations of such Person in respect of bankers' acceptances, and (h) all non-contingent obligations (and, for purposes of Section 6.02, all contingent obligations) of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. The Indebtedness of any Person shall not include endorsements of checks, bills of exchange and other instruments for deposit or collection in the ordinary course of business. For purposes of clarity, Indebtedness of the Borrower and its Subsidiaries shall exclude obligations of the Borrower and its Subsidiaries relating to sales of assets to third parties (including the MLP Parties) which GAAP disregards as a true sale and deems such transaction to be a lease obligation requiring the Borrower or such Subsidiary to classify such transaction as a liability.

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

"Initial Maturity Date" means April 30, 2026.

"Indemnitee" has the meaning set forth in Section 9.03(b).

"Index Debt" means senior, unsecured, long-term indebtedness for borrowed money of the Borrower that is not subject to any credit enhancement.

"Information Memorandum" means the Confidential Information Memorandum dated January 20, 2017 relating to the Borrower and the Transactions.

"Interest Election Request" means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.08.

"Interest Payment Date" means (a) with respect to any ABR Loan (other than a Swingline Loan) or any Daily Simple RFR Loan, the fifth (5th) Business Day after the last day of each Fiscal Quarter, (b) with respect to any CDOR Loan, Eurocurrency Rate Loan or Term RFR Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, with an Interest Period of more than three months' duration (i) the last day of each three month period after the first day of such Interest Period and (ii) the last day of such Interest Period and (c) with respect to any Swingline Loan, the day that such Loan is required to be repaid.

“Interest Period” with respect to any CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, the period specified in the Borrowing Request applicable to such Borrowing, beginning on and including the date specified in such Borrowing Request (which must be a Business Day), and (a) with respect to a CDOR Borrowing, ending one or three months thereafter, (b) with respect to a Eurocurrency Borrowing or Term RFR Borrowing, ending one, three or six months thereafter (or, with the consent of each Lender, twelve months), or (c) for such other periods for which CDOR Rates, Eurocurrency Rates or Term RFR Rates, as applicable, are available at the time the Borrowing Request for such Borrowing is made, in each case, subject to the availability of the interest rate applicable to the relevant Currency or Canadian dollar, as applicable, as Borrower may elect; provided, that (i) with respect to any Interest Period of one month or longer, each Interest Period shall commence on the date the Loan is made or continued as, or converted into, a CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, and shall expire on the numerically corresponding day in the final calendar month of such Interest Period, (ii) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (iii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (iv) no tenor that has been removed from this definition pursuant to Section 2.24(d) shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made, and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Investment Grade Rating” means a rating of senior long-term unsecured debt securities of the Borrower without any third-party credit enhancement of (i) BBB- (or then equivalent grade) or higher by S&P or (ii) Baa3 (or then equivalent grade) or higher by Moody’s.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance of such Letter of Credit).

“Issuing Bank” means each of MUFG Bank, Ltd., Wells Fargo Bank, National Association, Bank of America, N.A., Citibank, N.A. and The Toronto-Dominion Bank, New York Branch, and any other Lender hereafter designated by written notice of the Borrower to the Administrative Agent, subject to the consent of the Administrative Agent (which consent shall not be unreasonably withheld, conditioned or delayed) and the acceptance of such role by such Lender, in each case, in its capacity as an issuer of Letters of Credit hereunder, and each successor in such capacity as provided in Section 2.06(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

“Issuing Bank Sublimit” means (i) \$100,000,000, in the case of MUFG Bank, Ltd., Wells Fargo Bank, National Association, Bank of America, N.A., Citibank, N.A. and The Toronto-Dominion Bank, New York Branch, and (ii) such amount as shall be designated to the Administrative Agent and the Borrower in writing by any other Issuing Bank.

“Joint Lead Arrangers” means, collectively, MUFJ Bank, Ltd., Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation’s or any of its subsidiaries’ investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement),

Citigroup Global Markets Inc., Sumitomo Mitsui Banking Corporation, TD Securities (USA) LLC, The Bank of Nova Scotia, Houston Branch, and Truist Securities, Inc., each in its capacity as a Joint Lead Arranger and Joint Bookrunner hereunder.

“Joint Venture” means a joint venture entity the Equity Interests of which are owned by the Borrower or a Subsidiary with one or more third parties so long as such joint venture entity does not constitute a subsidiary.

“LC Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“LC Disbursement” means a payment made by an Issuing Bank pursuant to a Letter of Credit issued by such Issuing Bank.

“LC Exposure” means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.05. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“LC Sublimit” means an amount equal to the Commitments in effect at such time.

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to Section 2.02 or pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender.

“Letter of Credit” means any letter of credit issued pursuant to this Agreement, including the letters of credit outstanding under the Existing Revolving Credit Agreement to the extent provided in Section 2.06(k). Unless the context otherwise requires, the term “Letters of Credit” includes the Multicurrency Letters of Credit.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loan Documents” means (a) this Agreement, (b) the Notes, if any, (c) each Subsidiary Guarantee, if any, (d) the one or more fee letters entered into in connection with or anticipation of this Agreement and (e) any amendment, supplement or other document modifying the foregoing.

“Loan Parties” means the Borrower and each Guarantor.

“Loans” means the loans made by the Lenders to the Borrower pursuant to this Agreement. Unless the context otherwise requires, the term “Loans” includes the Multicurrency Loans and the Swingline Loans.

“London Banking Day” means any day on which dealings in dollar deposits are conducted by and between banks in the London interbank market.

“Material Adverse Effect” means a material adverse effect on (a) the business, property, operations, condition (financial or otherwise), or results of operations of the Borrower and its subsidiaries (other than the Excluded Parties), taken as a whole, or (b) the ability of the Borrower and its Subsidiaries to perform any of their respective obligations under this Agreement or any other Loan Document.

“Material Indebtedness” means Indebtedness (other than the Loans and Letters of Credit) or Derivatives Obligations of any one or more of the Borrower and its Subsidiaries in an aggregate principal amount exceeding \$100,000,000. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of the Borrower or any Subsidiary in respect of any Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Borrower or such Subsidiary would be required to pay if such Hedging Agreement were terminated at such time.

“Material Subsidiary” means, at any time, each Subsidiary other than any Subsidiary (a) the Net Tangible Assets of which do not represent 5% or more of Consolidated Net Tangible Assets for the period of four fiscal quarters most recently ended and (b) that does not own Equity Interests of any Material Subsidiary; provided that the Net Tangible Assets of all Subsidiaries that are not Material Subsidiaries may not represent more than 15% of Consolidated Net Tangible Assets for the period of four fiscal quarters most recently ended.

“Maturity Date” means the Initial Maturity Date, as such date may be extended pursuant to Section 2.21 to the corresponding day in each year thereafter; provided that with respect to any Non-Consenting Lender, the Maturity Date shall not be so extended.

“Maximum Rate” has the meaning set forth in Section 9.14.

“MLP Parties” means each of Holly Logistic Services, L.L.C., HEP Logistics Holdings, L.P. and each of their direct and indirect subsidiaries.

“Moody’s” means Moody’s Investors Service, Inc., or any successor to the ratings agency business thereof.

“Multicurrency Commitment” means, with respect to each Lender, the commitment of such Lender to make Multicurrency Loans and to acquire participations in Multicurrency Letters of Credit hereunder, expressed as an amount representing the maximum potential aggregate principal amount of such Lender’s Multicurrency Credit Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.09 or (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Multicurrency Commitment is set forth on Schedule 2.01 under the caption “Multicurrency Commitment”, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Multicurrency Commitment, as applicable. The Multicurrency Commitments are part of and not additive to the aggregate amount of the Lender’s Commitments. As of the First Amendment Effective Date, the aggregate amount of the Lenders’ Multicurrency Commitments is \$250,000,000.

“Multicurrency Credit Exposure” means, as to any Lender at any time, the aggregate principal amount of such Lender’s outstanding Multicurrency Loans and such Lender’s participation in Multicurrency Letters of Credit.

“Multicurrency Letter of Credit” means any Letter of Credit denominated in an Alternative Currency.

“Multicurrency Loan” means Loans denominated in one or more Alternative Currencies.

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Tangible Assets” means, on any date, with respect to any Subsidiary, the aggregate amount of assets (less applicable accumulated depreciation, depletion and amortization and other reserves and other properly deductible items) of such Subsidiary, minus (a) all current liabilities of such Subsidiary (excluding current maturities of long-term debt) and (b) all goodwill of such Subsidiary, all determined in accordance with GAAP.

“New Funds Amount” has the meaning set forth in Section 2.02(d)(i).

“Non-Consenting Lenders” has the meaning set forth in Section 2.21(b).

“Notice of Commitment Increase” has the meaning set forth in Section 2.02(b).

“Note” has the meaning set forth in Section 2.10(e).

“Notifying Lender” means any Lender that notifies the Administrative Agent and the Borrower in writing or made a public statement that its failure to fund all or any portion of its Loans is the result of such Lender’s determination that one or more conditions precedent to funding has not been satisfied in accordance with clauses (a) or (b) of the definition of Defaulting Lender herein.

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided further that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Other Benchmark Rate Election” means, if the then-current Benchmark for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, is the Adjusted Eurocurrency Rate for dollars, the occurrence of: (a) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed), in lieu of a USD LIBOR-based rate, a term benchmark rate that is not a SOFR-based rate as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (b) the joint election by the Administrative Agent and the Borrower to trigger a fallback from the Adjusted Eurocurrency

Rate for dollars and the provision by the Administrative Agent of written notice of such election to the Lenders.

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

“Other Currency” has the meaning give such term in Section 2.23.

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19(b)).

“Outstanding Amount” means (a) with respect to Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Loans occurring on such date; (b) with respect to Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Swingline Loans occurring on such date; and (c) with respect to any LC Exposure on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount of such LC Exposure on such date after giving effect to any LC Credit Extension occurring on such date and any other changes in the aggregate amount of the LC Exposure as of such date, including as a result of any reimbursements by the Company of any LC Disbursement.

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight Eurocurrency borrowings by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate).

“Participant” has the meaning set forth in Section 9.04(c)(i).

“Participant Register” has the meaning set forth in Section 9.04(c)(iii).

“Participating Member State” means any member state of the European Union that has the Euros as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“Payment Obligation” has the meaning give such term in Section 2.23.

“Payment Recipient” has the meaning assigned thereto in Section 8.02(a).

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

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

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Pledged Cash” means, on any date, the aggregate amount of cash and Cash Equivalents on deposit in a Pledged Cash Account on such date.

“Pledged Cash Account” means any cash collateral account established for purposes of designating cash or Cash Equivalents as Pledged Cash and over which Administrative Agent has at all times exclusive control for withdrawal purposes.

“Pricing Schedule” means the Pricing Schedule attached hereto as Schedule 1.01.

“Prime Rate” means the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate in effect at its principal office in New York City. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, cash, securities, accounts and contract rights.

“Recipient” means (a) the Administrative Agent, (b) any Lender, (c) the Swingline Lender, and (d) any Issuing Bank, as applicable.

“Reducing Percentage Lender” has the meaning set forth in Section 2.02(d)(ii).

“Reduction Amount” has the meaning set forth in Section 2.02(d)(iii).

“Reference Time” with respect to any setting of the then-current Benchmark for any Currency means (a) if such Benchmark is a Daily Simple RFR, (i) if the RFR for such Benchmark is SOFR, then four (4) RFR Business Days prior to (A) if the date of such setting is an RFR Business Day, such date or (B) if the date of such setting is not an RFR Business Day, the RFR Business Day immediately preceding such date, (ii) if the RFR for such Benchmark is SONIA, then four (4) RFR Business Days prior to (A) if the date of such setting is an RFR Business Day, such date or (B) if the date of such setting is not an RFR Business Day, the RFR Business Day immediately preceding such date, and (iii) if the RFR for such Benchmark is €STR, then four (4) RFR Business Days prior to (A) if the date of such setting is an RFR Business Day, such date or (B) if the date of such setting is not an RFR Business Day, the RFR Business Day immediately preceding such date, and (b) if such Benchmark is an Adjusted Eurocurrency Rate, if the applicable Adjusted Eurocurrency Rate for such Benchmark is based upon USD LIBOR, then 11:00 a.m. (London time) on the day that is two (2) Eurocurrency Banking Days preceding the date of such setting, and (c) otherwise, then the time determined by the Administrative Agent, including in accordance with the Benchmark Replacement Conforming Changes.

“Register” has the meaning set forth in Section 9.04(b)(iv).

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person’s Affiliates.

“Relevant Governmental Body” means (a) with respect to a Benchmark Replacement in respect of obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, the Board or the NYFRB, or a committee officially endorsed or convened by the Board or the NYFRB, or any successor thereto and (b) with respect to a Benchmark Replacement in respect of obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, any Alternative Currency, (1) the central bank for the Currency in which such obligations under any Loan Document, interest, fees, commissions or other amounts are denominated, or calculated with respect to, or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (2) any working group or committee officially endorsed or convened by (A) the central bank for the Currency in which such obligations under any Loan Document, interest, fees, commissions or other amounts are denominated, or calculated with respect to, (B) any central bank or other supervisor that is responsible for supervising either (i) such Benchmark Replacement or (ii) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Required Lenders” means, at any time, Lenders having Credit Exposures and unused Commitments representing more than 50% of the sum of the total Credit Exposures and unused Commitments at such time.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, president, General Counsel, any Executive Vice President, any Senior Vice President, any vice president, secretary, assistant secretary or any Financial Officer of the Borrower.

“Revaluation Date” means (a) with respect to any Loan, each of the following: (i) each date of a Borrowing of a Loan denominated in an Alternative Currency, (ii) each date of a continuation of a Loan denominated in an Alternative Currency, and (iii) each date on which the total Multicurrency Credit Exposures is evaluated pursuant to Section 2.11(c)(ii); and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof, (iii) each date of any payment by the Issuing Bank under any Letter of Credit denominated in an Alternative Currency and (iv) each date on which the total Multicurrency Credit Exposures is evaluated pursuant to Section 2.11(c)(ii).

“Revolving Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“RFR” means, for any obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) dollars, on and after the USD LIBOR Transition Date, SOFR, (b) Sterling, SONIA and (c) Euros, €STR.

“RFR Administrator” means the SOFR Administrator, the SONIA Administrator or the €STR Administrator, as applicable.

“RFR Borrowing” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“RFR Business Day” means, for any obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) dollars, on and after the USD LIBOR Transition Date, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities, (b) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London, and (c) Euros, any day that is a TARGET Day, except for a (i) Saturday or (ii) a Sunday; provided, that for purposes of notice requirements in Sections 2.05 and 2.11(b), in each case, such day is also a Business Day.

“RFR Loan” means a Daily Simple RFR Loan or a Term RFR Loan, as the context may require.

“RFR Rate Day” has the meaning specified in the definition of “Daily Simple RFR”.

“S&P” means Standard & Poor’s Ratings Services, a division of McGraw-Hill Companies, Inc., or any successor to the ratings agency business thereof.

“Sanctions” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) the government of Canada, or (c) the United Nations Security Council, the European Union, any European Union member state in which the Borrower or any of its Subsidiaries conducts business, or Her Majesty’s Treasury of the United Kingdom.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Cuba, Iran, North Korea, Sudan, Syria and Crimea).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the government of Canada, the United Nations Security Council, the European Union, any European Union member state, or Her Majesty’s Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned 50% or more, individually or in the aggregate, or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Screen Rate” means, for any Eurocurrency Loan denominated in dollars, the USD LIBOR Rate.

“Second Amendment Effective Date” means April 30, 2021.

“Securitization Transaction” means any transaction in which the Borrower or a Subsidiary sells or otherwise transfers any accounts receivable (whether now existing or arising in the future) and any assets related thereto including, without limitation, all books and records

relating to such accounts receivable, all collateral securing such accounts receivable, all contracts and all Guarantees or other obligations in respect of such accounts receivable, rights with respect to returned goods the sale or lease of which gave rise to such accounts receivable, insurance thereon, proceeds of all of the foregoing and lockboxes and bank accounts into which collections thereon are deposited, and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable (a) to one or more third party purchasers or (b) to a special purpose entity that borrows against such accounts receivable (or undivided interests therein) and related assets or issues securities payable from (or representing interests in) payments in respect of such accounts receivable and related assets or sells such accounts receivable (or undivided interests therein) and related assets to one or more third party purchasers, whether or not amounts received in connection with the sale or other transfer of such accounts receivable and related assets to an entity referred to in clause (a) or (b) above would under GAAP be accounted for as liabilities on a consolidated balance sheet of the Borrower. The amount of any Securitization Transaction shall be deemed at any time to be the aggregate outstanding principal or stated amount of the borrowings, securities or residual obligations under a sale, in each case referred to in clause (b) of the preceding sentence, or if there shall be no such principal or stated amount, the uncollected amount of the accounts receivable transferred to such third party purchaser(s) pursuant to such Securitization Transaction net of any such accounts receivable that have been written off as uncollectible.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the NYFRB, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SONIA” means a rate equal to the Sterling Overnight Index Average as administered by the SONIA Administrator.

“SONIA Administrator” means the Bank of England (or any successor administrator of SONIA).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for SONIA identified as such by the SONIA Administrator from time to time.

“Spot Rate” for a currency means the rate determined by the Administrative Agent or any Issuing Bank, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or such Issuing Bank may obtain such spot rate from another financial institution designated by the Administrative Agent or such Issuing Bank if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that such Issuing Bank may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.

"Spread Adjusted €STR" means with respect to any RFR Business Day, a rate per annum equal to the sum of (a) €STR for such RFR Business Day plus (b) (i) 0.04560% (4.560 basis points) for an Available Tenor of one-month's duration, (ii) 0.09620% (9.620 basis points) for an Available Tenor of three-months' duration, and (iii) 0.15370% (15.370 basis points) for an Available Tenor of six-months' duration.

"Spread Adjusted SOFR" means with respect to any RFR Business Day, a rate per annum equal to the sum of (a) SOFR for such RFR Business Day plus (b) (i) 0.11448% (11.448 basis points) for an Available Tenor of one-month's duration, (ii) 0.26161% (26.161 basis points) for an Available Tenor of three-months' duration, and (iii) 0.42826% (42.826 basis points) for an Available Tenor of six-months' duration.

"Spread Adjusted SONIA" means with respect to any RFR Business Day, a rate per annum equal to the sum of (a) SONIA for such RFR Business Day plus (b) (i) 0.03260% (3.260 basis points) for an Available Tenor of one-month's duration, (ii) 0.11930% (11.930 basis points) for an Available Tenor of three-months' duration, and (iii) 0.27660% (27.660 basis points) for an Available Tenor of six-months' duration.

"Spread Adjusted Term SOFR" means, for any Available Tenor and Interest Period, a rate per annum equal to the sum of (a) the forward-looking term rate for a period comparable to such Available Tenor based on the SOFR that is published by an authorized benchmark administrator and is displayed on a screen or other information service, each as identified or selected by the Administrative Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of such Interest Period determined by the Administrative Agent in its reasonable discretion in a manner substantially consistent with market practice and (b) (i) 0.11448% (11.448 basis points) for an Available Tenor of one-month's duration, (ii) 0.26161% (26.161 basis points) for an Available Tenor of three-months' duration, and (iii) 0.42826% (42.826 basis points) for an Available Tenor of six-months' duration.

"Sterling" and "£" mean the lawful currency of the United Kingdom.

"subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" means any subsidiary of the Borrower; provided that the Excluded Parties shall not be Subsidiaries of the Borrower except for purposes of (a) to the extent the Excluded Parties are required by GAAP to be consolidated with the Borrower, Section 5.01(a) and Section 5.01(b) and (b) Section 3.11; provided that the Borrower may designate from time to time any subsidiary that is an Excluded Party to be a Subsidiary by written notice thereof to the Administrative Agent if immediately before and immediately after giving pro forma effect to such designation, no Default shall have occurred and be continuing.

"Subsidiary Guarantee" means a Guarantee of the Borrower's obligations hereunder in substantially the form of Exhibit E or any other form approved by the Administrative Agent.

“Swingline Exposure” means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the total Swingline Exposure at such time.

“Swingline Lender” means MUFG Bank, Ltd., in its capacity as lender of Swingline Loans hereunder.

“Swingline Loan” means a Loan made pursuant to Section 2.03.

“Swingline Sublimit” means \$100,000,000.

“Syndication Agent” means Wells Fargo Bank, National Association, in its capacity as syndication agent for the Lenders hereunder.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

“TARGET Day” means any day on which TARGET2 is open for the settlement of payments in Euros.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax, or penalties applicable thereto.

“Term RFR” means, with respect to any Currency for any Interest Period, a rate per annum equal to (a) for any obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars, the greater of (i) Spread Adjusted Term SOFR and (ii) the Floor and (b) for any obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Sterling or Euros, the greater of (i) the forward-looking term rate for a period comparable to such Interest Period based on the RFR for such Currency that is published by an authorized benchmark administrator and is displayed on a screen or other information service, each as identified or selected by the Administrative Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of such Interest Period determined by the Administrative Agent in its reasonable discretion in a manner substantially consistent with market practice and (ii) the Floor.

“Term RFR Borrowing” means, as to any Borrowing, the Loans bearing interest at a rate based on Term RFR comprising such Borrowing other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Term RFR Loan” means a Loan that bears interest at a rate based on Term RFR other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Term RFR Notice” means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term RFR Transition Event.

“Term RFR Transition Date” means, in the case of a Term RFR Transition Event, the date that is 30 (thirty) calendar days after the Administrative Agent has provided the related Term RFR Notice to the Lenders and the Borrower pursuant to Section 2.24(a)(iii).

“Term RFR Transition Event” means, with respect to any Currency for any Interest Period, the determination by the Administrative Agent that (a) the applicable Term RFR for such Currency is determinable for each Available Tenor, (b) the administration of such Term RFR is administratively feasible for the Administrative Agent, and (c) any of (i) the RFR Administrator publishes, publicly announces or makes publicly available that such Term RFR is administered in accordance with the International Organization of Securities Commission’s Principles for Financial Benchmarks, (ii) such Term RFR is used as a benchmark rate in at least five (5) currently outstanding syndicated credit facilities denominated in the applicable Currency (and such syndicated credit facilities are identified and are publicly available for review) or (iii) such Term RFR is recommended for use by a Relevant Governmental Body.

“Third Amendment Effective Date” has the meaning specified in the Third Amendment.

“Total Capitalization” means, at the date of any determination thereof, the sum of (a) Consolidated Total Debt of the Borrower and its Subsidiaries plus (b) Consolidated Net Worth of the Borrower and its Subsidiaries.

“Transactions” means the execution, delivery and performance by the Borrower of the Loan Documents, the borrowing of Loans, and the issuance of Letters of Credit hereunder.

“Transitioned RFR Loan” means a Loan that is an RFR Loan that would not have borne interest based upon a Daily Simple RFR or a Term RFR on the Third Amendment Effective Date. To the extent that Loans denominated in dollars bear interest based on a Daily Simple RFR or Term RFR after the Third Amendment Effective Date, such Loans would be Transitioned RFR Loans.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to (i) the Adjusted Eurocurrency Rate, (ii) the Daily Simple RFR, (iii) the Term RFR, (iv) the Alternate Base Rate or (v) the CDOR Rate.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“USD LIBOR” has the meaning specified in the definition of “Eurocurrency Rate”.

“USD LIBOR Rate” has the meaning specified in the definition of “Eurocurrency Rate”.

“USD LIBOR Transition Date” means, the earlier of: (a) the date that all Available Tenors of USD LIBOR have either (i) permanently or indefinitely ceased to be provided by IBA; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of USD LIBOR or (ii) been announced by the FCA pursuant to public statement or publication of information to be no longer representative

and (b) the Early Opt-in Effective Date, so long as, in the case of clause (a) or (b), a Benchmark Replacement has not as of such date replaced the Adjusted Eurocurrency Rate for dollars for all purposes hereunder and under any Loan Document in accordance with Section 2.24 as the result of an Other Benchmark Rate Election.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a “Eurocurrency Loan”). Borrowings also may be classified and referred to by Type (e.g., a “Eurocurrency Borrowing”).

Section 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (f) with respect to the determination of any period of time, the word “from” means “from and including” and the word “to” means “to but excluding”.

Section 1.04 Accounting Terms: GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, (x) if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application

thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith and (y) with respect to any change or modification to the accounting principles or any change in the interpretation thereof that would require operating leases entered into in the ordinary course of business to be treated in a manner similar to capital leases under GAAP, all financial covenants, requirements and terms in the Agreement shall continue to be calculated or construed as if such accounting change or modification or such change interpretation had not occurred. Notwithstanding any other provision contained herein or any other Loan Document, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Financial Accounting Standards Board Accounting Standards Codification 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at “fair value”, as defined therein.

Section 1.05 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Letter of Credit application or other document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time; and, provided further that with respect to any Letter of Credit that, by its terms or the terms of any Letter of Credit application or document related thereto, provides for one or more permanent automatic decreases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such permanent decreases, as of the date of determination.

Section 1.06 Exchange Rates; Currency Equivalents.

(a) The Administrative Agent or the Issuing Bank, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies, and such determination shall be conclusive absent manifest error. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or the Issuing Bank, as applicable, and such determination shall be conclusive absent manifest error.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a CDOR Loan, RFR Loan or Eurocurrency Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in dollars, but such Borrowing, CDOR Loan, RFR Loan, Eurocurrency Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as

determined by the Administrative Agent or the Issuing Bank, as the case may be, absent manifest error.

Section 1.07 Rates. The interest rate on Eurocurrency Borrowings, CDOR Borrowings and ABR Borrowings (when determined by reference to clause (c) of the definition of Alternate Base Rate) may be determined by reference to USD LIBOR, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, ICE Benchmark Administration (“IBA”), the administrator of the London interbank offered rate, and the Financial Conduct Authority (the “FCA”), the regulatory supervisor of IBA, announced in public statements (the “Announcements”) that the final publication or representativeness date for the London interbank offered rate for Dollars for: (a) 1-week and 2-month tenor settings will be December 31, 2021 and (b) overnight, 1-month, 3-month, 6-month and 12-month tenor settings will be June 30, 2023. No successor administrator for IBA was identified in such Announcements. As a result, it is possible that commencing immediately after such dates, the London interbank offered rate for such tenors may no longer be available or may no longer be deemed a representative reference rate upon which to determine the interest rate on Eurocurrency Borrowings, CDOR Borrowings or ABR Borrowings (when determined by reference to clause (c) of the definition of Alternate Base Rate). There is no assurance that the dates set forth in the Announcements will not change or that IBA or the FCA will not take further action that could impact the availability, composition or characteristics of any London interbank offered rate. Public and private sector industry initiatives have been and continue, as of the date hereof, to be underway to implement new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate or any other then-current Benchmark is no longer available or in certain other circumstances set forth in Section 2.24, such Section 2.24 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Borrower, pursuant to Section 2.24, of any change to the reference rate upon which the interest rate on Eurocurrency Borrowings, CDOR Borrowings and ABR Borrowings (when determined by reference to clause (c) of the definition of Alternate Base Rate) is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (i) the continuation of, administration of, submission of, calculation of or any other matter related to any Benchmark, any component definition thereof or rates referenced in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 2.24, will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of any Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.08 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different

jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II THE CREDITS

Section 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender severally agrees to make Loans to the Borrower from time to time during the Availability Period in an aggregate principal amount that will not result in (a) such Lender's Credit Exposure exceeding such Lender's Commitment, (b) the sum of the total Credit Exposures exceeding the total Commitments or (c) the sum of the total Multicurrency Credit Exposures exceeding the total Multicurrency Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Loans.

Section 2.02 Commitment Increase.

(a) Subject to the terms and conditions set forth herein, the Borrower shall have the right, without the consent of the Lenders, to cause an increase in the Commitments of the Lenders (a "Commitment Increase") by adding to this Agreement one or more additional lenders that are not already Lenders hereunder and that are reasonably satisfactory to the Administrative Agent, the Swingline Lender and each Issuing Bank (not to be unreasonably withheld, delayed or conditioned) (each, a "CI Lender") or by allowing one or more existing Lenders to increase their respective Commitments; provided that (i) no Event of Default shall have occurred and be continuing as of the relevant Commitment Increase Effective Date, (ii) no such Commitment Increase shall be less than \$25,000,000, unless the Administrative Agent otherwise consents to a smaller amount (iii) the aggregate amount of all such Commitment Increases shall not exceed \$750,000,000, (iv) no Lender's Commitment shall be increased without such Lender's prior written consent (which consent may be given or withheld in such Lender's sole and absolute discretion), (v) upon any increase in the Commitments pursuant to this Section 2.02, the Multicurrency Commitments of the Lenders shall be adjusted to reflect all Lenders' (including any CI Lender's) Applicable Percentage of the Multicurrency Commitments at such time and (vi) if, on the effective date of such increase, any Loans have been funded, then the Borrower shall be obligated to pay any breakage fees or costs that are payable pursuant to Section 2.16 in connection with the reallocation of such outstanding Loans; provided further that no Commitment Increase shall increase the Alternative Currency LC Sublimit or the total Multicurrency Commitments without the consent of each Lender.

(b) The Borrower shall provide the Administrative Agent with written notice (a "Notice of Commitment Increase") in the form of Exhibit B attached hereto of its intention to increase the Commitments pursuant to this Section 2.02. Each such Notice of Commitment Increase shall specify (i) the proposed effective date of such Commitment Increase (each such date, a "Commitment Increase Effective Date"), which date shall be no earlier than five (5) Business Days after receipt by the Administrative Agent of such Notice of Commitment Increase, (ii) the amount of the requested Commitment Increase (provided that after giving effect to such requested Commitment Increase, the aggregate amount of all Commitment Increases does not exceed the amount set forth in subsection (a)(iii) above), (iii) the identity of each CI Lender or Lender that has agreed in writing to increase its Commitment hereunder, and (iv) the amount of the respective Commitments of the then existing Lenders and the CI Lenders from and after the Commitment Increase Effective Date.

(c) On each Commitment Increase Effective Date, to the extent that there are Loans outstanding as of such date, (i) each CI Lender shall, by wire transfer of immediately available funds, deliver to the Administrative Agent such CI Lender's New Funds Amount, which amount (A) shall be denominated in the same currency as such outstanding Loans and (B) for each such CI Lender, shall constitute Loans made by such CI Lender to the Borrower pursuant to this Agreement on such Commitment Increase Effective Date, (ii) each existing Lender that has agreed to increase its Commitment shall, by wire transfer of immediately available funds, deliver to the Administrative Agent such Lender's New Funds Amount, which amount (A) shall be denominated in the same currency as such outstanding Loans and (B) for each such Lender, shall constitute Loans made by such Lender to the Borrower pursuant to this Agreement on such Commitment Increase Effective Date, (iii) the Administrative Agent shall, by wire transfer of immediately available funds, pay to each then Reducing Percentage Lender its Reduction Amount, which amount, for each such Reducing Percentage Lender, shall constitute a prepayment by the Borrower pursuant to Section 2.11, ratably in accordance with the respective principal amounts thereof, of the principal amounts of all then outstanding Loans of such Reducing Percentage Lender, and (iv) the Borrower shall be responsible to pay to each Lender any breakage fees or costs that are payable pursuant to Section 2.16 in connection with the reallocation of any outstanding Loans.

(d) For purposes of this Section 2.02 and Exhibit B, the following defined terms shall have the following meanings: (i) "New Funds Amount" means the amount equal to the product of a Lender's increased Commitment or a CI Lender's Commitment (as applicable) represented as a percentage of the aggregate Commitments after giving effect to any Commitment Increase, times the aggregate principal amount of the outstanding Loans immediately prior to giving effect to such Commitment Increase, if any, as of any Commitment Increase Effective Date (without regard to any increase in the aggregate principal amount of Loans as a result of borrowings made after giving effect to such Commitment Increase on such Commitment Increase Effective Date); (ii) "Reducing Percentage Lender" means each then existing Lender immediately prior to giving effect to any Commitment Increase that does not increase its respective Commitment as a result of such Commitment Increase and whose relative percentage of the Commitments shall be reduced after giving effect to such Commitment Increase; and (iii) "Reduction Amount" means the amount by which a Reducing Percentage Lender's outstanding Loans decrease as of any Commitment Increase Effective Date (without regard to the effect of any borrowings made on such Commitment Increase Effective Date after giving effect to the Commitment Increase occurring on such Commitment Increase Effective Date).

(e) Each Commitment Increase shall become effective on its Commitment Increase Effective Date and upon such effectiveness (i) the Administrative Agent shall record in the register each then CI Lender's information as provided in the applicable Notice of Commitment Increase and pursuant to an Administrative Questionnaire that shall be executed and delivered by each CI Lender to the Administrative Agent on or before such Commitment Increase Effective Date, (ii) Schedule 2.01 hereof shall be amended and restated to set forth all Lenders (including any CI Lenders) that will be Lenders hereunder after giving effect to such Commitment Increase (which amended and restated Schedule 2.01 shall be set forth in Annex I to the applicable Notice of Commitment Increase) and the Administrative Agent shall distribute to each Lender (including each CI Lender) a copy of such amended and restated Schedule 2.01, and (iii) each CI Lender identified on the Notice of Commitment Increase for such Commitment Increase shall be a "Lender" for all purposes under this Agreement.

(f) Each Commitment Increase shall be deemed to constitute a representation and warranty by the Borrower on the applicable Commitment Increase Effective Date that (i) the representations and warranties of the Borrower set forth in this Agreement and in the other Loan Documents are true and correct in all material respects (or, in the case of any such

representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of such Commitment Increase Effective Date, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of such Commitment Increase Effective Date, such representations and warranties shall continue to be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) as of such specified earlier date, and (ii) at the time of and immediately after giving effect to such Commitment Increase, no Default shall have occurred and be continuing.

Section 2.03 Swingline Loans.

(a) General. Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans in dollars to the Borrower from time to time during the Availability Period; provided that the aggregate Swingline Exposure (after giving effect to any requested Swingline Loan) shall not exceed the least of (i) the total Commitments, (ii) the excess of the total Commitments over the aggregate amount of the Loans then outstanding, (iii) the Swingline Sublimit and (iv) the amount permitted by Section 2.22(a)(iv)(B); and provided, further, that (after giving effect to any requested Swingline Loan) the total Credit Exposures shall not exceed the total Commitments; and provided, further, that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swingline Loans.

(b) Request; Timing; Making of Swingline Loan. To request a Swingline Loan, the Borrower shall notify the Administrative Agent of such request by telephone (confirmed promptly by hand delivery, electronic mail or other electronic transmission), not later than 3:00 p.m., New York City time, on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day) and amount of the requested Swingline Loan. The Administrative Agent will promptly advise the Swingline Lender of any such notice received from the Borrower. The Swingline Lender shall make each Swingline Loan available to the Borrower by means of a credit to the general deposit account of the Borrower with the Swingline Lender (or, in the case of a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e), by remittance to the applicable Issuing Bank) by 4:00 p.m., New York City time, on the requested date of such Swingline Loan. Except as specified in clause (c) below, all payments by the Borrower in respect of a Swingline Loan shall be made to the Swingline Lender.

(c) Participation. The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., New York City time, on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.07 with respect to

Loans made by such Lender (and Section 2.07 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Lenders. The Administrative Agent shall notify the Borrower of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrower (or other party on behalf of the Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear; provided that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to the Borrower for any reason. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrower of any default in the payment thereof.

Section 2.04 Loans and Borrowings.

(a) Each Loan shall be made in dollars or any Alternative Currency as part of a Borrowing consisting of Loans of the same Type made by the Lenders ratably in accordance with their respective Commitments (or, with respect to the Swingline Loans, made by the Swingline Lender). The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.14, each Borrowing (other than a Swingline Borrowing) shall be comprised (A) in the case of Borrowings denominated in dollars, entirely of ABR Loans or (x) prior to the USD LIBOR Transition Date, Eurocurrency Loans or (y) on and after the USD LIBOR Transition Date, RFR Loans, (B) in the case of Borrowings denominated in Canadian dollars, entirely of CDOR Loans, (C) in the case of Borrowings denominated in Euros, entirely of RFR Loans, and (D) in the case of Borrowings denominated in Sterling, entirely of RFR Loans, in each case of the same currency as the Borrower may request in accordance herewith. Each Swingline Loan shall be an ABR Loan. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) For each RFR Borrowing or Eurocurrency Borrowing in any Currency, such Borrowing shall be in an aggregate amount that is an integral multiple of 100,000 dollars, Euros or Sterling, as applicable, and not less than 1,000,000 dollars, Euros or Sterling, as applicable; provided that an RFR Borrowing or a Eurocurrency Borrowing in any Currency may be in an aggregate amount that is equal to the entire unused balance of the total Commitments. At the commencement of each Interest Period for any CDOR Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of C\$100,000 and not less than C\$1,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$100,000 and not less than \$1,000,000. Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of fifteen CDOR Borrowings, RFR Borrowings and Eurocurrency Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

Section 2.05 Requests for Borrowings. To request a Borrowing (other than a Borrowing for a Swingline Loan), the Borrower shall notify the Administrative Agent of such request by telephone, electronic mail or other electronic transmission, or, at the reasonable discretion of the Administrative Agent, by any other acceptable means in the case of a CDOR Borrowing, not later than 12:00 p.m., New York City time, three (3) Business Days prior to the date of the requested Borrowing, in the case of an RFR Borrowing, not later than 12:00 p.m., New York City time, for an RFR Borrowing (i) denominated in dollars or Euros, three (3) RFR Business Days prior to the date of the requested Borrowing or (ii) denominated in Sterling, five (5) RFR Business Days prior to the date of the requested Borrowing, in the case of a Eurocurrency Borrowing not later than 12:00 p.m., New York City time, for a Eurocurrency Borrowing denominated in dollars, three (3) Eurocurrency Banking Days prior to the date of the requested Borrowing, or in the case of an ABR Borrowing, not later than 12:00 p.m., New York City time, on the date of the requested Borrowing. Each such Borrowing Request shall be irrevocable and any telephonic Borrowing Request shall be confirmed promptly by hand delivery, electronic mail or other electronic transmission to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit C or, at the reasonable discretion of the Administrative Agent, by any other acceptable means. Each Borrowing Request shall specify the following information in compliance with Section 2.04:

- (i) (A) the aggregate amount of the requested Borrowing and (B) the currency in which such Borrowing shall be denominated;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing, a CDOR Borrowing, an RFR Borrowing or a Eurocurrency Borrowing; and
- (iv) in the case of a CDOR Borrowing, Term RFR Borrowing or Eurocurrency Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested CDOR Borrowing, Term RFR Borrowing or Eurocurrency Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. If no currency is specified with respect to any requested CDOR Borrowing, RFR Borrowing or Eurocurrency Borrowing, then the Borrower shall be deemed to have selected dollars. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing. Each Swingline Borrowing shall be requested in accordance with Section 2.03.

Section 2.06 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of Letters of Credit in a form reasonably acceptable to the Administrative Agent and the relevant Issuing Bank, at any time and from time to time during the Availability Period, in support of obligations of the Borrower or any of its Subsidiaries; provided that the aggregate LC Exposure (after giving effect to the requested issuance, amendment or extension of a Letter of Credit) shall not exceed the least of (i) the total

Commitments, (ii) the excess of the total Commitments over the aggregate amount of the Loans (including Swingline Loans) then outstanding, (iii) the LC Sublimit or (iv) the amount permitted by Section 2.22(a)(iv)(A); and provided, further, that, subject to limitations set forth above, no Issuing Bank shall be obligated to front Letters of Credit to the extent that the LC Exposure associated with Letters of Credit issued by it would exceed its Issuing Bank Sublimit; and provided, further, that (after giving effect to the requested issuance, amendment or extension of a Letter of Credit) the total Credit Exposures shall not exceed the total Commitments. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the relevant Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding anything herein to the contrary, no Issuing Bank shall have any obligation hereunder to issue, and shall not issue, any Letter of Credit the proceeds of which would be made available to any Person (i) to fund any activity or business of or with any Sanctioned Person, or in any country or territory that, at the time of such funding, is the subject of any Sanctions or (ii) in any manner that would result in a violation of any Sanctions by any party to this Agreement.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal (other than an automatic renewal permitted pursuant to paragraph (c) of this Section) or extension of an outstanding Letter of Credit), the Borrower shall hand deliver (or transmit by electronic communication, if arrangements for doing so have been approved by the relevant Issuing Bank) to the relevant Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the relevant Issuing Bank, the Borrower also shall submit a letter of credit application on its standard form in connection with any request for a Letter of Credit; provided that no provision in such application shall be deemed effective to the extent such provision contains, provides for, or requires, representations, warranties, covenants, security interests, Liens, indemnities, reimbursements of costs or expenses, events of default, remedies, or standards of care or to the extent such provision conflicts or is inconsistent with this Agreement. Following receipt of a notice requesting the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit) in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, the limits and sublimits specified in Section 2.06(a) are satisfied. Notwithstanding the foregoing or anything else to the contrary contained herein, no Issuing Bank shall be under any obligation to issue any Letter of Credit if: (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any law applicable to such Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Bank (x) shall prohibit, or request that such Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular, (y) shall impose upon such Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital or liquidity requirement (for which such Issuing Bank is not otherwise compensated hereunder) not in effect on the Revolving Effective Date, or (z) shall impose upon such Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Revolving Effective Date and which such Issuing Bank in good faith deems material to it; provided that, in the cases of clauses (y) and (z), such Issuing

Bank shall have provided written notice to the Borrower of its refusal to issue any Letter of Credit and the specific reasons therefor and the Borrower shall not have compensated such Issuing Bank for the imposition of such restriction, reserve or capital or liquidity requirement or reimbursed such Issuing Bank for such loss, cost or expense, as applicable; or (B) the issuance of such Letter of Credit would violate one or more polices of such Issuing Bank (as consistently applied).

(c) Expiration Date. The Borrower shall select the expiration date of each Letter of Credit (which may be later than one year after the date of issuance thereof); provided that any Letter of Credit may provide for the automatic renewal thereof for additional periods; provided further that (i) no Letter of Credit shall extend beyond the then effective Maturity Date, unless the applicable Issuing Bank consents in writing and (ii) no Letter of Credit may expire beyond the close of business on that date that is five Business Days prior to the earliest Maturity Date applicable to any Lender, unless the amount of such Letter of Credit on the date of issuance, renewal or extension, as applicable, together with all other outstanding LC Exposure at such time, is less than or equal to the total Commitments of all Lenders having a later Maturity Date.

(d) Participation. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank that issues such Letter of Credit or the Lenders, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the relevant Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit in accordance with this Agreement or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If an Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent (except as specified below) an amount in cash in the same currency in which the applicable Letter of Credit was denominated equal to such LC Disbursement not later than 2:00 p.m., New York City time, on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 11:00 a.m., New York City time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 2:00 p.m., New York City time, on (i) the Business Day that the Borrower receives such notice, if such notice is received prior to 11:00 a.m., New York City time, on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that, the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 or Section 2.05 that such payment be financed with an ABR Borrowing (consisting of a Swingline Loan or an ABR Loan, as applicable) in an amount equal to the amount of the LC Disbursement, as determined by the applicable Issuing Bank promptly following determination thereof and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting Swingline Loan or ABR Loan, as applicable. Notwithstanding the foregoing, any Issuing Bank may, at its option, specify in the applicable notice of LC Disbursement that such Issuing Bank will require

reimbursements in dollars; provided that the applicable Issuing Bank shall notify the Borrower of the amount of the drawing promptly following the determination thereof. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement (expressed in dollars in the amount of such LC Disbursement), the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. In the event the Borrower does not so reimburse any Issuing Bank promptly following receipt of such notice, each Lender shall pay in dollars to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay in dollars to the relevant Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the relevant Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as its interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse an Issuing Bank for any LC Disbursement (other than the funding of a Swingline Loan or an ABR Loan as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by any Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of any Issuing Bank; provided that the foregoing shall not be construed to excuse the relevant Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of an Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, an Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The relevant Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The relevant Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone, fax or electronic mail (and, in the case of telephonic notice, promptly confirmed by hand delivery, fax or electronic mail) of such demand for payment and whether it has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If an Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Loans; provided that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(c) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the relevant Issuing Bank, except that interest accrued on and after the date of payment by a Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement or Termination of an Issuing Bank. An Issuing Bank may be terminated at any time upon not less than 10 Business Days' prior written notice by the Borrower to the Administrative Agent and such Issuing Bank; provided that at the time of termination of such Issuing Bank shall not have issued any Letter of Credit (other than Letters of Credit which have been cash collateralized in accordance with the provisions of this Agreement or as to which other arrangements with respect thereto that are satisfactory to the applicable Issuing Bank have been made). An Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such termination or replacement of an Issuing Bank, as applicable. At the time any such termination or replacement, as applicable, shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the terminated or replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement (i) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement or termination of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to amend, renew or extend any such Letter of Credit or to issue additional Letters of Credit.

(j) Cash Collateralization. If (i) there exists any LC Exposure on the Initial Maturity Date and the Maturity Date has not been extended pursuant to Section 2.21, (ii) any Event of Default shall occur and be continuing, then on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposures representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, or (iii) the Borrower is required to pay to the Administrative Agent the excess attributable to an LC Exposure pursuant to Section 2.21(b), then the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Issuing Banks and the Lenders, an amount in cash in the same currency in which the applicable Letter of Credit was denominated and equal to the LC Exposure as of such date plus any accrued and unpaid interest and fees thereon; provided that the obligation to deposit such cash collateral shall

become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (h) or (i) of Article VII. As collateral security for the payment and performance of the obligations of the Borrower under this Agreement, the Borrower hereby grants to the Administrative Agent, for the benefit of each Issuing Bank and the Lenders, a first priority security interest in such account and all amounts and other property from time to time deposited or held in such account, and all proceeds thereof, and any substitutions and replacements therefor. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made in one or more types of Cash Equivalents at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse ratably the Issuing Banks for LC Disbursements for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated but subject to (i) the consent of Lenders with LC Exposures representing greater than 50% of the total LC Exposure and (ii) in the case of any such application at a time when any Lender is a Defaulting Lender (but only if, after giving effect thereto, the remaining cash collateral shall be less than the aggregate LC Exposure of all the Defaulting Lenders) the consent of each Issuing Bank), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, and the Borrower is not otherwise required to pay to the Administrative Agent the excess attributable to an LC Exposure pursuant to Section 2.21(b), such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been cured or waived. If the Borrower is required to provide an amount of cash collateral hereunder pursuant to Section 2.21, such portion of the cash collateral (to the extent not applied as aforesaid) shall be returned to the Borrower as promptly as practicable to the extent that the LC Exposure of the Issuing Banks is covered by the Commitments or the remaining cash collateral.

(k) Outstanding Letters of Credit. On the Second Amendment Effective Date, each of the letters of credit listed on Schedule 2.06 shall be deemed to have been issued as Letters of Credit under this Agreement by the Issuing Bank specified on Schedule 2.06, without payment of any fees otherwise due upon the issuance of a Letter of Credit, and such Issuing Bank shall be deemed, without further action by any party hereto, to have sold to each Lender, and each Lender shall be deemed, without further action by any party hereto, to have purchased from such Issuing Bank, a participation, to the extent of such Lender's Applicable Percentage, in such Letter of Credit.

Section 2.07 Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 2:00 p.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made as provided in Section 2.03. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account most recently designated by the Borrower for such purpose by notice to the Administrative Agent; provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the relevant Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender (i) in the case of a CDOR Borrowing, RFR Borrowing or Eurocurrency Borrowing, not later than

one Business Day before the date of any Borrowing or (ii) in the case of an ABR Borrowing, not later than 1:00 p.m., New York City time, on the date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing. If the Borrower and such Lender shall both pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

Section 2.08 Interest Elections.

(a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a CDOR Borrowing, Eurocurrency Borrowing or Term RFR Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section 2.08 shall not apply to Swingline Borrowings, which may not be converted or continued.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by telephone, electronic mail or other electronic transmission or, at the reasonable discretion of the Administrative Agent, by any other acceptable means by the time that a Borrowing Request would be required under Section 2.05 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery, electronic mail or other electronic transmission or, at the reasonable discretion of the Administrative Agent, by any other acceptable means of a written Interest Election Request in a form approved by the Administrative Agent and signed by the Borrower.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.04:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day, and if the Borrower is electing to continue a CDOR Borrowing, Eurocurrency Borrowing or a Term RFR Borrowing, shall be the last day of the immediately preceding Interest Period;

(iii) whether the resulting Borrowing is to be an ABR Borrowing, a CDOR Borrowing, Eurocurrency Borrowing, or an RFR Borrowing; and

(iv) (A) if the resulting Borrowing is a CDOR Borrowing, Eurocurrency Borrowing or a Term RFR Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period" and (B) if the resulting Borrowing is a CDOR Borrowing, Eurocurrency Borrowing or a RFR Borrowing the currency in which such Borrowing is denominated.

If any such Interest Election Request requests a CDOR Borrowing, Eurocurrency Borrowing or a Term RFR Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Daily Simple RFR Borrowing prior to the Interest Payment Date applicable thereto, then, unless such Borrowing is repaid as provided herein, the Borrower shall be deemed to have selected that such RFR Borrowing shall be continued as an RFR Borrowing bearing interest, at a rate based upon the applicable Daily Simple RFR as of such Interest Payment Date. If the Borrower fails to deliver a timely Interest Election Request with respect to a CDOR Borrowing, a Eurocurrency Borrowing or a Term RFR Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a CDOR Borrowing, a Eurocurrency Borrowing or a Term RFR Borrowing, as applicable, bearing interest at a rate based upon the CDOR Rate, Adjusted Eurocurrency Rate or Term RFR, as applicable, and with an Interest Period of one month's duration. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a CDOR Borrowing, an RFR Borrowing or a Eurocurrency Borrowing and (ii) unless repaid as provided herein, (x) each Daily Simple RFR Borrowing shall automatically be converted to an ABR Borrowing denominated in dollars (in an amount equal to the Dollar Equivalent of the applicable Alternative Currency, if applicable) immediately and (y) each CDOR Borrowing, Eurocurrency Borrowing and Term RFR Borrowing shall automatically be converted to an ABR Borrowing denominated in dollars (in an amount equal to the Dollar Equivalent of the applicable Alternative Currency, if applicable) at the end of the Interest Period thereto.

Section 2.09 Termination and Reduction of Commitments. Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Commitments; provided that (A) each reduction of the Commitments shall be in an amount that is not less than \$10,000,000 and in an integral multiple of \$5,000,000 (or such smaller integral amounts as may be reasonably acceptable to the Administrative Agent) in excess thereof, and (B) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any

concurrent prepayment of the Loans in accordance with Section 2.11, the sum of the Credit Exposures would exceed the total Commitments.

(ii) The Borrower may at any time terminate, or from time to time reduce, the Multicurrency Commitments; provided that (A) each reduction of the Multicurrency Commitments shall be in an amount that is not less than \$10,000,000 and in an integral multiple of \$5,000,000 (or such smaller integral amounts as may be reasonably acceptable to the Administrative Agent) in excess thereof, and (B) the Borrower shall not terminate or reduce the Multicurrency Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the sum of the Multicurrency Credit Exposures would exceed the total Multicurrency Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least two Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; provided that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the occurrence of identified events, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent and may not be reinstated except pursuant to Section 2.02. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

(ii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Multicurrency Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; provided that a notice of termination of the Multicurrency Commitments delivered by the Borrower may state that such notice is conditioned upon the occurrence of identified events, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Multicurrency Commitments shall be permanent and may not be reinstated. Each reduction of the Multicurrency Commitments shall be made ratably among the Lenders in accordance with their respective Multicurrency Commitments.

Section 2.10 Repayment of Loans; Evidence of Debt. The Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan on the Maturity Date in the same currency in which such Loan was denominated and (ii) to the Swingline Lender (except to the extent the Lenders have purchased participations in the applicable Swingline Loan, in which case all payments shall be made to the Administrative Agent for the account of such Lenders, as specified in the seventh sentence of Section 2.03(c)) the then unpaid principal amount of each Swingline Loan on the earlier of the Maturity Date and the first date after such Swingline Loan is made that is the 15th or the last day of a calendar month and is at least two Business Days after such Swingline Loan is made; provided that on each date that a Borrowing (not consisting of Swingline Loans) is made, the Borrower shall repay all Swingline Loans then outstanding.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the currency or currencies in which each such Loan was denominated and the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the currency or currencies in which each such Loan was denominated and the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

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

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note, payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and otherwise substantially in the form of Exhibit D hereto (a "Note"). Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.11 Prepayment of Loans.

(a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part without any penalty or fee (other than any break funding costs applicable pursuant to Section 2.16), subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone, fax or electronic mail (and, in the case of telephonic notice, promptly confirmed by hand delivery, fax or electronic mail) of any prepayment hereunder (i) in the case of prepayment of a CDOR Borrowing or a Eurocurrency Borrowing denominated in dollars or a RFR Borrowing denominated in dollars or Euros, not later than 2:00 p.m., New York City time, two (2) Business Days before the date of prepayment, (ii) in the case of prepayment of an RFR Borrowing denominated in Sterling, not later than 2:00 p.m., New York City time, five (5) RFR Business Days before the date of prepayment, (iii) in the case of prepayment of an ABR Borrowing, not later than 2:00 p.m., New York City time, on the date of prepayment or (v) in the case of prepayment of a Swingline Loan, not later than 2:00 p.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any ABR Borrowing shall be in a minimum amount equal to \$1,000,000 with additional increments of \$500,000. Each partial prepayment of any CDOR Borrowing,

RFR Borrowing or Eurocurrency Borrowing shall be in the same currency in which such Loan was denominated and in a minimum amount equal to 1,000,000 dollars, Canadian dollars, Euros or Sterling, as applicable, with additional increments of 500,000 dollars, Canadian dollars, Euros or Sterling, as applicable. Each partial prepayment of any Swingline Borrowing shall be in a minimum amount of \$1,000,000 with additional increments of \$500,000. Each prepayment of any Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13 and any break funding costs pursuant to Section 2.16.

(c) If, for any reason, the total Credit Exposures (including the Dollar Equivalent of any Multicurrency Loan) exceed the total Commitments or the total Multicurrency Credit Exposures exceed the total Multicurrency Commitments on any date, the Borrower shall immediately prepay the amount of such excess in the same currency in which the applicable Credit Exposures are denominated; provided that if such excess is caused by fluctuations in foreign currency exchange rates applicable to then outstanding Multicurrency Loans, (i) no such prepayment will be required to the extent the total Credit Exposure is not more than 105% of the total Commitments on such date and (ii) such excess will be calculated as of (A) the last business day of each calendar quarter, (B) any other business day at the Administrative Agent's sole discretion during the continuation of an Event of Default and (C) each date of a borrowing request, interest election request and each request for the issuance, amendment, renewal or extension of any Letter of Credit.

Section 2.12 Fees.

(a) The Borrower agrees to pay to the Administrative Agent, for the account of each Lender, a commitment fee, which shall accrue at the Applicable Rate attributable to the "Commitment Fee" on the sum of (i) the end of day unused portion of the Commitment of such Lender plus (ii) the outstanding Swingline Loans on such day during the period from and including the Revolving Effective Date to but excluding the date on which such Commitment terminates; provided that, if such Lender continues to have any Credit Exposure after its Commitment terminates, then such Commitment Fee shall continue to accrue on the daily amount of such Lender's Credit Exposure from and including the date on which its Commitment terminates to but excluding the date on which such Lender ceases to have any Credit Exposure. Accrued Commitment Fees shall be calculated and invoiced to the Borrower as of the last day of each Fiscal Quarter and shall be due and payable in arrears on the fifth (5th) Business Day after the last day of each Fiscal Quarter and at the end of the Availability Period. All Commitment Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to such Lender's participations in Letters of Credit, which shall accrue (A) at a rate of 0.750% per annum on the daily amount of the LC Exposure that is equal to or less than the amount of Pledged Cash on such day, and (B) at the Applicable Rate used to determine the interest rate applicable to CDOR Loans, RFR Loans or Eurocurrency Loans, as applicable, on the daily amount by which the LC Exposure exceeds the amount of Pledged Cash on such date, in each case during the period from and including the Revolving Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to each Issuing Bank a per annum fronting fee in an amount equal to the greater of (y) \$500.00 and (z) 0.125% of the face amount of each Letter of Credit issued by such Issuing Bank, in each case, during the period from and including the Revolving Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder; provided that, the Administrative Agent, the Lenders and the Borrower hereby agreed that the Borrower may, upon not less than two (2)

Business Days prior written notice to the Administrative Agent, withdraw cash or Cash Equivalents from any Pledged Cash Account, if immediately before such withdrawal no Event of Default exists or would exist after giving effect thereto. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be calculated and invoiced to the Borrower as of the last day of each Fiscal Quarter and shall be due and payable in arrears on the fifth (5th) Business Day after the last day of each Fiscal Quarter. Any other fees payable to any Issuing Bank pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The amount of participation and fronting fees payable hereunder shall be set forth in a written invoice or other notice delivered to the Borrower by the Administrative Agent or, in the case of fronting fees, by the applicable Issuing Bank.

(b) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(c) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to each Issuing Bank, in the case of fees payable to them) for distribution, in the case of Commitment Fees and participation fees, to the Lenders. Fees payable that have been paid shall not be refundable under any circumstances.

Section 2.13 Interest.

(a) The Loans comprising each ABR Borrowing and each Swingline Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each (i) CDOR Borrowing shall bear interest at the CDOR Rate for the Interest Period in effect for such Borrowing, and (ii) Eurocurrency Borrowing and RFR Borrowing at a rate per annum equal to the Benchmark for obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, the applicable currency, in each case of clause (i) and (ii), plus the Applicable Rate.

(c) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall, at the election of the Required Lenders (which election may be rescinded at the option of the Required Lenders), bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2.00% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2.00% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; provided that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan (other than Swingline Loans) prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any CDOR Loan, Eurocurrency Loan or Term RFR Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day), except that interest on Loans denominated in any Alternative Currency as to which market practice differs from the foregoing shall be computed in accordance with market practice for such Loans. The applicable Alternate Base Rate, Adjusted Eurocurrency Rate, Daily Simple RFR or Term RFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

Section 2.14 Alternate Rate of Interest.

(a) With respect to RFR Loans and, on and after the USD LIBOR Transition Date, ABR Loans, subject to Section 2.24, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that (x) if Daily Simple RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any obligations under any Loan Document, interest, fees, commissions or other amounts, “Daily Simple RFR” cannot be determined pursuant to the definition thereof or (y) if Term RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any obligations under any Loan Document, interest, fees, commissions or other amounts, “Term RFR” cannot be determined pursuant to the definition thereof on or prior to the first day of any Interest Period, the Administrative Agent will promptly so notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, (i) any obligation of the Lenders to make or continue RFR Loans or, on and after the USD LIBOR Transition Date, to convert ABR Loans to RFR Loans, in each case, in each such Currency shall be suspended (to the extent of the affected RFR Loans or, in the case of Term RFR Loans, the affected Interest Periods) until the Administrative Agent revokes such notice and (ii) if such determination affects the calculation of Alternate Base Rate, the Administrative Agent shall during the period of such suspension compute Alternate Base Rate without reference to clause (c) of the definition of “Alternate Base Rate” until the Administrative Agent revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of RFR Loans in each such affected Currency (to the extent of the affected RFR Loans or, in the case of a Term RFR Loans, the affected Interest Periods) or, failing that, (A) in the case of any request for an affected RFR Borrowing in dollars, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans in the amount specified therein and (B) in the case of any request for an affected RFR Borrowing in an Alternative Currency, then such request shall be ineffective and (ii)(A) any outstanding affected RFR Loans denominated in Dollars will be deemed to have been converted into ABR Loans immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period and (B) any outstanding affected RFR Loans denominated in an Alternative Currency, at the Borrower’s election, shall either be converted into ABR Loans denominated in dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period or be prepaid in full immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period; provided that if no election is made by the Borrower by the date that is three Business Days after receipt by the Borrower of such notice or, in the case of Term RFR Loans, the last day of the current Interest Period for the applicable RFR Loan, if earlier, the Borrower shall be deemed to have elected clause (1) above. Upon any such prepayment or conversion, the Borrower shall also pay any additional amounts required pursuant to Section 2.16.

(b) With respect to Eurocurrency Loans, CDOR Loans and, prior to the USD LIBOR Transition Date, ABR Loans, subject to Section 2.24, if (x) on or prior to the first day

of any Interest Period with respect to a Eurocurrency Loan or CDOR Loan or (y) on any day with respect to an ABR Loan:

(i) Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that (A) by reason of circumstances affecting the London or other applicable offshore interbank market for the applicable Currency, the applicable Adjusted Eurocurrency Rate cannot be determined pursuant to the definition thereof, including because the Screen Rate for the applicable Currency is not available or published on a current basis or (B) a fundamental change has occurred in the foreign exchange or interbank markets with respect to such Alternative Currency (including changes in national or international financial, political or economic conditions or currency exchange rates or exchange controls), or

(ii) the Required Lenders determine that for any reason in connection with any request for a Eurocurrency Loan, CDOR Loan or a conversion thereto or a continuation thereof that deposits in the applicable Currency are not being offered to banks in the London or other applicable offshore interbank market for the applicable currency, amount and Interest Period of such Eurocurrency Loan or CDOR Loan, or the CDOR Rate or Adjusted Eurocurrency Rate for any requested currency or Interest Period with respect to a proposed CDOR Loan or Eurocurrency Loan, as applicable, does not adequately and fairly reflect the cost to such Lenders of funding such Loan, and, in each case, the Required Lenders have provided notice of such determination to the Administrative Agent,

the Administrative Agent will promptly so notify the Borrower and each Lender, as applicable. Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Loans, CDOR Loans or, prior to the USD Transition Date, to convert ABR Loans to Eurocurrency Loans, in each case, in each such currency shall be suspended (to the extent of the affected Eurocurrency Loans, CDOR Loans or Interest Periods) until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice and (y) if such determination pursuant to Section 2.14(b)(i)(A) affects the calculation of Alternate Base Rate, the Administrative Agent shall during the period of such suspension compute Alternate Base Rate without reference to clause (c) of the definition of "Alternate Base Rate" until the Administrative Agent revokes such notice. Upon receipt of such notice, (A) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Loans or CDOR Loan in each such affected currency (to the extent of the affected Eurocurrency Loans, CDOR Loans or Interest Periods) or, failing that, (I) in the case of any request for an affected Eurocurrency Borrowing in dollars, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans in the amount specified therein and (II) in the case of any request for an affected Eurocurrency Borrowing or CDOR Borrowing, as applicable, in an applicable Alternative Currency, then such request shall be ineffective and (B)(I) any outstanding affected Eurocurrency Loans denominated in dollars will be deemed to have been converted into ABR Loans at the end of the applicable Interest Period and (II) any outstanding affected Eurocurrency Loans or CDOR Loans denominated in an applicable Alternative Currency, at the Borrower's election, shall either (1) be converted into ABR Loans denominated in dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) at the end of the applicable Interest Period or (2) be prepaid in full at the end of the applicable Interest Period; provided that if no election is made by the Borrower by the earlier of (x) the date that is three Business Days after receipt by the Borrower of such notice and (y) the last day of the current Interest Period for the applicable Eurocurrency Loan or CDOR Loan, as applicable, the Borrower shall be deemed to have elected clause (1) above. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.16.

Section 2.15 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve (including pursuant to regulations issued from time to time by the Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D)), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted Eurocurrency Rate) or any Issuing Bank;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any Issuing Bank any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any CDOR Loan, RFR Loan or Eurocurrency Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender’s or such Issuing Bank’s capital or on the capital of such Lender’s or such Issuing Bank’s holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender’s or such Issuing Bank’s holding company could have achieved but for such Change in Law (taking into consideration such Lender’s or such Issuing Bank’s policies and the policies of such Lender’s or such Issuing Bank’s holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender’s or such Issuing Bank’s holding company for any such reduction suffered; provided, that such Lender or such Issuing Bank is generally seeking, or intends generally to seek, compensation from similarly situated borrowers under similar credit facilities (to the extent such Lender or Issuing Bank has the right under such similar credit facilities to do so) with respect to such Change in Law regarding capital or liquidity requirements.

(c) A certificate of a Lender or an Issuing Bank setting forth in reasonable detail the basis for, the calculation of and the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in

paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay to such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof. In determining such amount, such Lender agrees to act in good faith and to use reasonable averaging and attribution methods.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Borrower in writing of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefor; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.16 Break Funding Payments. In the event of (a) the payment of any principal of any Daily Simple RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default) or any CDOR Loan, Eurocurrency Loan or Term RFR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Daily Simple RFR Loan other than on the Interest Payment Date applicable thereto or any CDOR Loan, Eurocurrency Loan or Term RFR Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (c) the failure to borrow, convert, continue or prepay any RFR Loan, CDOR Loan or Eurocurrency Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(b) and is revoked in accordance therewith), or (d) the assignment of any Daily Simple RFR Loan other than on the Interest Payment Date therefor or any CDOR Loan, Eurocurrency Loan or Term RFR Loan other than on the last day of the Interest Period applicable thereto, in any case, as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender (other than, in the case of a claim for compensation based on the failure to borrow as specified in clause (c) above, any Lender whose failure to make a Loan required to be made by it hereunder has resulted in such failure to borrow) for the loss, cost and expense attributable to such event in accordance with the terms of this Section. In the case of a CDOR Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the CDOR Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for Canadian dollar deposits of a comparable amount and period from other banks in the CDOR market. In the case of a Eurocurrency Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted Eurocurrency Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the London or other applicable offshore interbank market for such Currency,

whether or not such Eurocurrency Loan was in fact so funded. A certificate of any Lender setting forth in reasonable detail the basis for and any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

Section 2.17 Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

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

(c) The Borrower shall indemnify the Administrative Agent, each Lender, and each Issuing Bank, within 15 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, such Lender, or such Issuing Bank, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the basis for and the amount of such payment or liability delivered to the Borrower by a Lender or an Issuing Bank, or by the Administrative Agent on its own behalf or on behalf of a Lender or an Issuing Bank, shall be conclusive absent manifest error.

(d) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c)(iii) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this Section 2.17(d).

(e) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental

Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Each Lender shall deliver to the Borrower and to the Administrative Agent, when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction that are reasonably requested by the Borrower or the Administrative Agent as will permit the Borrower or the Administrative Agent, as the case may be, to determine (A) whether or not payments made hereunder or under any other Loan Document are subject to Taxes (including backup withholding), (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by or on behalf of the Borrower as the case may be, pursuant to this Agreement or otherwise to establish such Lender's status for withholding Tax purposes in the applicable jurisdictions; provided that the delivery of any documentation described in this Section 2.17(f)(i) (other than the documentation set forth in Section 2.17(f)(ii) or Section 2.17(f)(iii)) shall not be required if in the Lender's reasonable judgment the completion, execution or delivery of such documentation would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be reasonably requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent) executed copies of Internal Revenue Service Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding; and

(B) each Foreign Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding Tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender is legally entitled to do so), whichever of the following is applicable:

(1) executed copies of Internal Revenue Service Form W-8BEN (or Internal Revenue Service Form W-8BEN-E, if applicable) claiming eligibility for benefits of an income Tax treaty to which the United States is a party,

(2) executed copies of Internal Revenue Service Form W-8ECI,

(3) executed copies of Internal Revenue Service Form W-8IMY and all required supporting documentation, or

(4) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign

corporation” described in Section 881(c)(3)(C) of the Code and (y) executed copies of Internal Revenue Service Form W-8BEN (or Internal Revenue Service Form W-8BEN-E, if applicable).

(iii) If a payment made to a Lender under any Loan Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with its or their obligations under FATCA, to determine that such Lender has or has not complied with such Lender’s obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iii) “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(iv) Each Lender agrees that if any form of certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) If the Administrative Agent or a Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.17, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.17 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This Section shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender’s right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any Taxes or Other Taxes incurred more than 180 days prior to the date that such Lender notifies the Borrower in writing of the Change in Law giving rise to such Taxes or Other Taxes and of such Lender’s intention to claim compensation therefor; provided, further, that, if the Change in Law giving rise to such Taxes or Other Taxes is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(h) Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 2.18 Payments Generally; Pro Rata Treatment; Sharing of Setoffs.

(a) Except with respect to Excluded Taxes, the Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, Section 2.16 or Section 2.17, or otherwise) prior to 2:00 p.m., New York City time, on the date when due, in immediately available funds, without deduction, setoff or counterclaim (other than any deduction or setoff in respect of Excluded Taxes as explicitly described in such Sections). Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent to such account in the United States as it may specify from time to time, except payments to be made directly to each Issuing Bank or the Swingline Lender as expressly provided herein and except that payments pursuant to Section 2.15, Section 2.16, Section 2.17 and Section 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) Subject to Section 2.22(a)(v), if at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements or Swingline Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements and Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements and Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements or Swingline Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively

do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Banks hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Banks, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.03(c), Section 2.06(d) or Section 2.06(e), Section 2.07(b), Section 2.18(d) or Section 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

Section 2.19 Mitigation Obligations; Replacement of Lenders.

(a) If (i) any Lender requests compensation under Section 2.15, (ii) any Lender cannot fund or maintain a Loan pursuant to Section 2.20, or (iii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (1) would eliminate or reduce amounts payable pursuant to Section 2.15 or Section 2.17, as the case may be, in the future, (2) would allow such Lender to fund Loans in the future and (3) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any Lender requests compensation under Section 2.15, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, (iii) any Lender is a Defaulting Lender or a Notifying Lender, (iv) any Lender fails to execute and deliver any amendment, consent or waiver to any Loan Document requested by the Borrower by the date specified by the Borrower (or gives the Borrower or the Administrative Agent written notice prior to such date of its intention not to do so), (v) any Lender delivers a notice to the Borrower and/or the Administrative Agent pursuant to Section 2.20, or (vi) any Lender shall fail to agree to extend the Maturity Date pursuant to Section 2.21, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such

assignment); provided that (1) to the extent required under Section 9.04, the Borrower shall have received the prior written consent of the Administrative Agent, each Issuing Bank and the Swingline Lender), which consent (or consents) shall not unreasonably be withheld, conditioned or delayed, (2) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee or the Borrower, as applicable, (3) in the case of any such assignment resulting from the failure to provide a consent, the assignee shall have given such consent and, as a result of such assignment and any contemporaneous assignments and consents, the applicable amendment, modification, waiver or consent can be effected and (4) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. Each party hereto agrees that an assignment and delegation required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee, and that the Lender required to make such assignment and delegation need not be a party thereto (it being understood and agreed that such Lender shall not be deemed to make the representations and warranties in such Assignment and Assumption if such Lender has not executed such Assignment and Assumption).

Section 2.20 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its applicable lending office to honor its obligation to make or maintain any RFR Loan, CDOR Loan, or Eurocurrency Loan either generally or having a particular Interest Period (if applicable) hereunder, then (a) such Lender shall promptly notify the Borrower and the Administrative Agent thereof and such Lender's obligation to make such RFR Loans, CDOR Loans or Eurocurrency Loans shall be suspended (the "Affected Loans") until such time as such Lender may again make and maintain such RFR Loans, CDOR Loans or Eurocurrency Loans and (b) all Affected Loans which would otherwise be made by such Lender shall be made instead as ABR Loans (and, if such Lender so requests by notice to the Borrower and the Administrative Agent, all Affected Loans of such Lender then outstanding shall be automatically converted into ABR Loans on the date specified by such Lender in such notice) and, to the extent the Affected Loans are so made as (or converted into) ABR Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its ABR Loans.

Section 2.21 Extension of Maturity Date.

(a) Not earlier than 90 days prior to, nor later than 30 days prior to, the Initial Maturity Date and each anniversary of the Initial Maturity Date, the Borrower may, upon notice to the Administrative Agent (which shall promptly notify the Lenders), request a one-year extension of the Maturity Date then in effect, provided, however, that the Borrower may not request more than two such extensions during the term of this Agreement. Within 15 days of delivery of such notice, each Lender shall notify the Administrative Agent whether or not it consents to such extension (which consent may be given or withheld in such Lender's sole and absolute discretion). Any Lender not responding within the above time period shall be deemed not to have consented to such extension. The Administrative Agent shall promptly notify the Borrower and the Lenders of the Lenders' responses.

(b) The Maturity Date shall be extended only if the Required Lenders (calculated excluding any Defaulting Lender and after giving effect to any replacements of Lenders permitted herein) have consented thereto (the Lenders that so consent being the "Consenting Lenders" and the Lenders that do not consent being the "Non-Consenting Lenders"). If so extended, the Maturity Date, as to the Consenting Lenders, shall be extended to the same date in the year following the Maturity Date then in effect (such existing Maturity Date being the "Extension Effective Date"). The Administrative Agent and the Borrower shall

promptly confirm to the Lenders such extension, specifying the date of such confirmation (the “Extension Confirmation Date”), the Extension Effective Date, and the new Maturity Date (after giving effect to such extension). As a condition precedent to such extension, the Borrower shall deliver to the Administrative Agent a certificate of the Borrower dated as of the Extension Confirmation Date signed by a Responsible Officer of the Borrower (i) certifying and attaching the resolutions adopted by the Borrower approving or consenting to such extension and (ii) certifying that, (A) before and after giving effect to such extension, the representations and warranties contained in Article III made by it are true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of the Extension Confirmation Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) as of such earlier date, (B) before and after giving effect to such extension no Default exists or will exist as of the Extension Confirmation Date, and (C) since December 31, 2020, no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect has occurred. The Borrower shall prepay any Loans outstanding on the Extension Effective Date (and pay any additional amounts required pursuant to Section 2.16) to the extent necessary to keep outstanding Loans ratable with any revised and new Applicable Percentages of all the Lenders effective as of the Extension Effective Date; and if, after giving effect to such prepayment, the total Credit Exposures exceeds the total Commitments then in effect as a result of an LC Exposure, then the Borrower will pay to the Administrative Agent on behalf of the Lenders an amount equal to such excess to be held as cash collateral as provided in Section 2.06(j). In addition, each Consenting Lender shall automatically (without any further action) and ratably acquire on the Extension Effective Date the Non-Consenting Lenders’ participations in Letters of Credit, in an amount equal to such Consenting Lender’s Applicable Percentage of the amount of such participations.

Section 2.22 Defaulting Lenders.

(a) Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(i) fees payable to such Defaulting Lender shall cease to accrue on the daily amount of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(ii) the Commitment and Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02 (other than with respect to clause (c) thereof) or any consent to an extension of the Maturity Date pursuant to Section 2.21), provided that in no event shall (A) such Defaulting Lender’s Commitment be increased or extended without its consent, (B) the principal amount of, or interest or fees payable on, Loans or LC Disbursements be reduced or excused or the scheduled date of payment be postponed as to such Defaulting Lender or (C) this subsection (ii) be amended, in each case, without such Defaulting Lender’s consent (except that fees shall be cease to accrue for the account of such Defaulting Lender to the extent specified in this Section 2.22 without such Defaulting Lender’s consent);

(iii) if any Swingline Exposure or LC Exposure exists at the time a Lender becomes a Defaulting Lender then:

(A) all or any part of the Swingline Exposure and LC Exposure of such Defaulting Lender shall be reallocated among the Lenders that are not Defaulting Lenders (for purposes of this Section 2.22, the “non-Defaulting Lenders”) in accordance with their respective Applicable Percentages but only to the extent that (x) the sum of all non-Defaulting Lenders’ Credit Exposures plus such Defaulting Lender’s Swingline Exposure plus such Defaulting Lender’s LC Exposure does not exceed the total of all non-Defaulting Lenders’ Commitments and (y) the conditions set forth in Section 4.02 are satisfied at such time. Subject to Section 9.17, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender’s increased exposure following such reallocation;

(B) if the reallocation described in clause (iii)(A) above cannot, or can only partially, be effected, the Borrower shall within three Business Days following notice by the Administrative Agent (x) first, prepay such Defaulting Lender’s Swingline Exposure (after giving effect to any partial reallocation pursuant to clause (iii)(A) above) and (y) second, cash collateralize, for the benefit of the Issuing Banks, the Borrower’s obligations corresponding to such Defaulting Lender’s LC Exposure (after giving effect to any partial reallocation pursuant to clause (iii)(A) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding;

(C) if the Borrower cash collateralizes any portion of such Defaulting Lender’s LC Exposure pursuant to clause (iii)(B) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender’s LC Exposure during the period such Defaulting Lender’s LC Exposure is cash collateralized;

(D) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (iii)(A) above, then the fees payable to such non-Defaulting Lenders pursuant to Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders’ LC Exposure after giving effect to such reallocation and, to the extent of such reallocation, fees under Section 2.12(b) shall no longer accrue for the benefit of such Defaulting Lender; and

(E) if all or any portion of such Defaulting Lender’s LC Exposure is neither reallocated nor cash collateralized pursuant to clause (iii)(A) or clause (iii)(B) above, then, without prejudice to any rights or remedies of any Issuing Bank or any non-Defaulting Lender hereunder, all fees that otherwise would have been payable to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender’s LC Exposure shall be payable to the Issuing Banks (ratably in proportion to the amount of Letters of Credit issued by each Issuing Bank) until and to the extent that such LC Exposure is reallocated and/or cash collateralized;

(iv) so long as a Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and such Defaulting Lender’s then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section

2.22(a)(iii), and participating interests in any newly made Swingline Loan or any newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.22(a)(iii)(A) (and such Defaulting Lender shall not participate therein). For the avoidance of doubt, (A) with respect to Letters of Credit requested at a time when a Lender is a Defaulting Lender, to the extent such Defaulting Lender's obligations under Section 2.06 are reallocated to other non-Defaulting Lenders in accordance with such non-Defaulting Lenders' respective Applicable Percentages (to the extent, after giving effect to the issuance of such Letter of Credit, that the sum of all non-Defaulting Lenders' Credit Exposures plus such Defaulting Lender's Swingline Exposure plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments), the existence of such Defaulting Lender shall not affect the obligation of any Issuing Bank to issue Letters of Credit up to the LC Sublimit, as reduced by such Defaulting Lender's Applicable Percentage (without taking into consideration any reallocation described in this Section 2.22) of the LC Sublimit or (B) with respect to Swingline Loans requested at a time when a Lender is a Defaulting Lender, to the extent such Defaulting Lender's obligations under Section 2.03 are reallocated to other non-Defaulting Lenders in accordance with such non-Defaulting Lenders' respective Applicable Percentages (to the extent, after giving effect to such Swingline Loan, that the sum of all non-Defaulting Lenders' Credit Exposures plus such Defaulting Lender's Swingline Exposure plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments), the existence of such Defaulting Lender shall not affect the obligation of the Swingline Lender to make Swingline Loans up to the Swingline Sublimit, as reduced by such Defaulting Lender's Applicable Percentage (without taking into consideration any reallocation described in this Section 2.22); and

(v) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any reimbursable amounts for fees, expenses and other charges owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Bank or Swingline Lender hereunder; third, to cash collateralize the Issuing Banks' LC Exposure with respect to such Defaulting Lender in accordance with Section 2.06(j); fourth, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, as the Borrower may request, to be held in a deposit account and released pro rata by the Administrative Agent in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Banks' future LC Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.06(j); sixth, to the payment of any amounts owing to the Lenders, the Issuing Banks or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Banks or Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment

of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or LC Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Disbursements owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in LC Exposure and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 2.22(a)(iii)(A). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.22(a)(v) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) In the event that the Administrative Agent, the Borrower, the Swingline Lender and each Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure and LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders (other than Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

Section 2.23 Currency Indemnity. The Borrower shall, and shall cause the other Loan Parties to, make payment relative to the Loans and all other obligations and liabilities of the Loan Parties to the Administrative Agent, the Issuing Bank or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document or any Letter of Credit, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Loan Parties pursuant hereto) or otherwise (collectively, the "Payment Obligations") in the currency in which such Obligation was effected (the "Agreed Currency"). If any payment is received on account of any Payment Obligation in any currency other than the Agreed Currency (the "Other Currency") (whether voluntarily or pursuant to an order or judgment or the enforcement thereof, the realization of any collateral or the liquidation of a Loan Party or otherwise), such payment shall constitute a discharge of the liability of the Loan Parties hereunder and under the other Loan Documents in respect of such Payment Obligation only to the extent of the amount of the Agreed Currency which the relevant Lender, Issuing Bank or the Administrative Agent, as the case may be, is able to purchase with the amount of the Other Currency received by it on the Business Day next following such receipt in accordance with its normal banking procedures in the relevant jurisdiction and applicable law after deducting any costs of exchange. To the fullest extent permitted by applicable law, if the amount of the Other Currency received is insufficient to satisfy the Payment Obligation in the Agreed Currency in full, then the Borrower shall on

demand, and the Borrower hereby agrees to, indemnify the Lenders, the Issuing Bank and the Administrative Agent from and against any loss or cost arising out of or in connection with such deficiency; provided, that if the amount of the Agreed Currency so purchased is greater than the amount of the Agreed Currency due in respect of such liability immediately prior to such judgment or order, voluntary prepayment, realization of collateral, liquidation of a Loan Party or otherwise, then the Administrative Agent, the Issuing Bank or the Lenders, as the case may be, agree to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under applicable law). To the fullest extent permitted by applicable law, the foregoing indemnity and agreement by each party shall constitute an obligation separate and independent from all other obligations contained in this Agreement and shall give rise to a separate and independent cause of action. In the event of any inconsistency between the terms of this Section 2.23 and the terms of any other section in this Agreement or any other Loan Document, the terms and conditions of this Section 2.23 shall control.

Section 2.24 Benchmark Replacement Setting.

(a) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Loan Document, if the USD LIBOR Transition Date has occurred prior to the Reference Time in respect of any setting of the Adjusted Eurocurrency Rate for dollars, then (x) if a Benchmark Replacement is determined in accordance with clause (b)(1) or (b)(2) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date, such Benchmark Replacement will replace the then-current Benchmark with respect to obligations under any Loan Document, interest, fees, commissions or other amounts denominated in, or calculated with respect to, dollars for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b)(3) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting, on the sixth (6th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders (without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document), so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(ii) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Other Benchmark Rate Election, as applicable, with respect to any Benchmark, the Administrative Agent and the Borrower may amend this Agreement to replace such Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event or an Other Benchmark Rate Election, as applicable, will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark

with a Benchmark Replacement pursuant to this Section 2.24(a) will occur prior to the applicable Benchmark Transition Start Date.

(iii) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, if a Term RFR Transition Date has occurred prior to the Reference Time in respect of any setting of the then-current Benchmark consisting of a Daily Simple RFR (including a Daily Simple RFR implemented as a Benchmark Replacement pursuant to Section 2.24(a)(i) or (a)(ii)) for the applicable Currency, then the applicable Benchmark Replacement will replace such Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark for the applicable Currency setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that this clause (iii) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a Term RFR Notice with respect to the applicable Term RFR Transition Event. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term RFR Notice after a Term RFR Transition Event and may elect or not elect to do so in its sole discretion.

(iv) No Hedging Agreement shall constitute a “Loan Document” for purposes of this Section 2.24.

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

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. The Administrative Agent will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.24(d). Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.24, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.24.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if any then-current Benchmark is a term rate (including any Term RFR or Adjusted Eurocurrency Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a

public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and(ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, the Borrower may revoke any pending request for an RFR Borrowing of, conversion to or continuation of RFR Loans, or a Eurocurrency Borrowing of, conversion to or continuation of Eurocurrency Loans, in each case, to be made, converted or continued during any Benchmark Unavailability Period denominated in the applicable Currency and, failing that, (i)(A) in the case of any request for an affected RFR Borrowing or a Eurocurrency Borrowing, in each case, in dollars, if applicable, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans in the amount specified therein and (B) in the case of any request for any affected RFR Borrowing or Eurocurrency Borrowing, in each case, in an Alternative Currency, if applicable, then such request shall be ineffective and (ii)(A) any outstanding affected RFR Loans or Eurocurrency Loans, in each case, denominated in dollars, if applicable, will be deemed to have been converted into ABR Loans immediately or, in the case of Term RFR Loans or Eurocurrency Loans, at the end of the applicable Interest Period and (B) any outstanding affected RFR Loans or Eurocurrency Loans, in each case, denominated in an Alternative Currency, at the Borrower’s election, shall either be converted into ABR Loans denominated in dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) immediately or, in the case of Term RFR Loans or Eurocurrency Loans, at the end of the applicable Interest Period or be prepaid in full immediately or, in the case of Term RFR Loans or Eurocurrency Loans, at the end of the applicable Interest Period; provided that, with respect to any Daily Simple RFR Loan, if no election is made by the Borrower by the date that is three Business Days after receipt by the Borrower of such notice, the Borrower shall be deemed to have elected clause (1) above; provided, further that, with respect to any Eurocurrency Loan or Term RFR Loan, if no election is made by the Borrower by the earlier of (x) the date that is three Business Days after receipt by the Borrower of such notice and (y) the last day of the current Interest Period for the applicable Eurocurrency Loan or Term RFR Loan, the Borrower shall be deemed to have elected clause (1) above. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.16. During a Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

ARTICLE III REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders that:

Section 3.01 Organization; Powers. Each of the Borrower and its Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 3.02 Authorization; Enforceability. The Transactions are within the Borrower's corporate powers and have been duly authorized by all necessary corporate and, if required, stockholder action. The Loan Documents have been duly executed and delivered by the Borrower and constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03 Governmental Approvals; No Conflicts. The Transactions (a) do not require the Borrower or any Subsidiary to obtain any consent or approval of, or make any registration or filing with, or request any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect (except for any reports required to be filed by the Borrower with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934), (b) will not result in a violation by the Borrower or any Subsidiary of any law or regulation or the charter, by-laws or other organizational documents of the Borrower or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon the Borrower or any of its Subsidiaries or its or their respective assets, or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Subsidiaries, except to the extent that a Material Adverse Effect would not reasonably be expected to result therefrom, and (d) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Subsidiaries.

Section 3.04 Financial Condition. The Borrower has heretofore furnished to the Lenders its consolidated balance sheet and statements of income, stockholder's equity and cash flows (a) as of and for the fiscal year ended December 31, 2015, which are consistent with the requirements of financial statements delivered pursuant to Section 5.01(a) and (b) as of and for the Fiscal Quarter and the portion of the fiscal year ended September 30, 2016, which are consistent with the requirements of financial statements delivered pursuant to Section 5.01(b).

Section 3.05 Environmental Matters. Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (a) has failed to comply with any applicable Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any applicable Environmental Law, (b) has become subject to any Environmental Liability, (c) has received notice of any claim with respect to any Environmental Liability or (d) knows of any basis for any Environmental Liability.

Section 3.06 No Event of Default. No Event of Default has occurred and is continuing.

Section 3.07 Investment Company Status. Neither the Borrower nor any of its Subsidiaries is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended.

Section 3.08 Taxes. Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves with respect thereto in accordance with GAAP or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

Section 3.09 ERISA. Except to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect, each ERISA Affiliate has fulfilled its obligations under the minimum funding standards of ERISA and the Code with respect to each Plan and is in compliance in all respects with the presently applicable provisions of ERISA and the Code with respect to each Plan. No ERISA Affiliate has (i) sought a waiver of the minimum funding standard under Section 412 of the Code in respect of any Plan, (ii) failed to make any contribution or payment to any Plan or Multiemployer Plan or in respect of any Benefit Arrangement, or made any amendment to any Plan or Benefit Arrangement, in any such case, which has resulted or could reasonably be expected to result in the imposition of a Lien or the posting of a bond or other security under ERISA or the Code or (iii) incurred any liability under Title IV of ERISA other than a liability to the PBGC for premiums due but not delinquent under Section 4007 of ERISA.

Section 3.10 Disclosure. Neither the Information Memorandum nor any of the other reports, financial statements, certificates or other written information (other than information of a global economic or industry nature) furnished by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other written information so furnished) contained as of the date such reports, financial statements, certificates or other written information were so furnished, any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to (i) projections, estimates, *pro forma* financial information, engineering reports and forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934) contained in the materials referenced above, the Borrower represents only that such information was prepared in good faith based upon assumptions believed by it to be reasonable at the time and (ii) financial statements, the Borrower represents only that such financial statements were prepared as represented in Section 3.04 and as required by Section 5.01(a) and (b), as applicable. As of the Second Amendment Effective Date, all of the information included in the Beneficial Ownership Certification is true and correct.

Section 3.11 Anti-Corruption Laws and Sanctions; Use of Proceeds. The Borrower has implemented and maintains in effect policies and procedures designed, in its reasonable business judgment, to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and their respective officers and directors and, to the knowledge of the Borrower, its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Borrower being designated as a Sanctioned Person. None of (a) the Borrower, any Subsidiary or, to the knowledge of the Borrower or such Subsidiary, any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any

Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Loan or proceeds of any Loan or Letter of Credit will be used in violation of Section 5.08.

Section 3.12 No Material Adverse Change. Since December 31, 2020, there has been no Material Adverse Effect on the Borrower and its consolidated Subsidiaries, taken as a whole.

Section 3.13 Litigation. As of the Second Amendment Effective Date, except for the Disclosed Matters, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any Subsidiary or any of their respective businesses, assets or revenues (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve this Agreement or the Transactions. As of the Second Amendment Effective Date, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

Section 3.14 Subsidiaries. Schedule 3.14 sets forth the name, the jurisdiction of organization and the ownership interest of each direct or indirect Subsidiary of the Borrower as of the Second Amendment Effective Date.

ARTICLE IV CONDITIONS

Section 4.01 Revolving Effective Date. The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party and a counterpart of the Subsidiary Guarantee signed by each Guarantor, or (ii) written evidence satisfactory to the Administrative Agent (which may include electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent shall have received a favorable written opinion reasonably satisfactory to the Administrative Agent (addressed to the Administrative Agent and the Lenders and dated the Revolving Effective Date) of Vinson & Elkins LLP, counsel for the Borrower, providing an opinion as to the enforceability of the Loan Documents. The Borrower hereby requests such counsel to deliver its applicable opinion to the Administrative Agent and the Lenders.

(c) The Administrative Agent shall have received a certificate of the Borrower and its Subsidiaries attaching such documents and certificates as the Administrative Agent may reasonably request relating to the organization, existence and good standing of the Borrower and its Subsidiaries in their respective jurisdictions of formation, the authorization of the Transactions and any other legal matters relating to the Borrower, its Subsidiaries, this Agreement or the Transactions, all in form and substance satisfactory to the Administrative Agent.

(d) The Administrative Agent shall have received the financial statements referred to in Section 3.04.

(e) The Administrative Agent shall have received a certificate, dated the Revolving Effective Date and signed by a Responsible Officer of the Borrower, certifying (which statements shall constitute a representation and warranty made by the Borrower to the Lenders hereunder on the Revolving Effective Date) that, as of the Revolving Effective Date, (i) there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Responsible Officer of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries (A) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (B) that involve the Loan Documents or the Transactions; and (ii) since December 31, 2013, there has been no material adverse change in the business, financial position, or results of operations of the Borrower together with its Subsidiaries on a consolidated basis.

(f) The Administrative Agent shall have received a certificate, dated the Revolving Effective Date and signed by a Responsible Officer of the Borrower, confirming compliance, as of the Revolving Effective Date, with the conditions set forth in paragraphs (a) and (b) of Section 4.02.

(g) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Revolving Effective Date, including, to the extent invoiced at least three (3) Business Days prior to the Revolving Effective Date, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(h) The Administrative Agent shall be satisfied that contemporaneously with the execution and delivery of this Agreement by the parties hereto (i) the Existing Revolving Credit Agreement and the commitments of the parties thereto are being terminated, (ii) all obligations of the Borrower and its Subsidiaries thereunder (other than unasserted contingent obligations) have been or will be repaid in full, and (iii) any Liens securing the Existing Revolving Credit Agreement have been or will be released.

The Administrative Agent shall notify the Borrower and the Lenders of the Revolving Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions contained in this Section 4.01 is satisfied (or waived pursuant to Section 9.02) at or prior to 5:00 p.m., New York City time, on July 31, 2014 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

Section 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of each Issuing Bank to issue, amend or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of the date of such Borrowing or the date of issuance, amendment or extension of such Letter of Credit, as applicable, except to the extent any such representations and warranties are expressly limited to an earlier date (including the Revolving Effective Date), in which case, on and as of the date of such Borrowing or the date of issuance, amendment or extension of such Letter of Credit, as applicable, such representations and warranties shall continue to be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as

materiality, the accuracy in all respects of such representations and warranties) as of such specified earlier date.

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

(c) The Administrative Agent shall have received, as applicable, a Borrowing Request in accordance with Section 2.05, a request for a Swingline Loan pursuant to Section 2.03 or a request for a Letter of Credit pursuant to Section 2.06.

Each Borrowing and each issuance, amendment or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

ARTICLE V AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

Section 5.01 Financial Statements and Other Information. The Borrower will furnish to the Administrative Agent:

(a) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower, its audited consolidated balance sheet and related statements of income, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by an independent public accountants of recognized national standing (without a "going concern" or like qualification or exception (other than a "going concern" or like qualification or exception that is solely as a result of the Loans maturing within the next 365 days and uncertainty about the Borrower's ability to refinance or renew such Loans) and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, except for deviations from the application of GAAP concurred with by the Borrower's independent public accountants;

(b) as soon as available and in any event within 45 days after the end of each of the first three Fiscal Quarters of each fiscal year of the Borrower, its consolidated balance sheet and related statements of income, stockholders' equity and cash flows as of the end of and for such Fiscal Quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, except for deviations from the application of GAAP concurred with by the Borrower's independent public accountants, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer of the Borrower (i) certifying that, to the best of

such Financial Officer's knowledge, no Default has occurred and is continuing and, if a Default has occurred and is continuing, specifying the details thereof and any action taken or proposed to be taken with respect thereto, and (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.01 and Section 6.07;

(d) promptly after the same becomes publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any Subsidiary with the Securities Exchange Commission, or with any national securities exchange, or distributed by the Borrower to its shareholders generally, as the case may be; and

(e) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary, or compliance with the terms of this Agreement, as the Administrative Agent or any Lender through the Administrative Agent may reasonably request.

Documents required to be delivered pursuant to Section 5.01(a), Section 5.01(b), Section 5.01(c) or Section 5.01(d) (to the extent any such documents are included in materials otherwise filed with the Securities and Exchange Commission) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at www.hollyfrontier.com; (ii) on which such documents are posted on the Borrower's behalf on the website of the Securities and Exchange Commission or any other Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent) or (iii) on which the Borrower delivers any compliance certificate required by Section 5.01(c) to the Administrative Agent. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Section 5.02 Notices of Material Events. The Borrower will furnish to the Administrative Agent, which shall then promptly furnish to each Lender, prompt written notice of the following:

(a) the occurrence of any Default of which any Responsible Officer of the Borrower obtains knowledge;

(b) if and when any ERISA Affiliate (i) gives or is required to give notice to the PBGC of any "reportable event" (as defined in Section 4043 of ERISA) with respect to any Plan which could reasonably be expected to constitute grounds for a termination of such Plan under Title IV of ERISA, or knows that the plan administrator of any Plan has given or is required to give notice of any such reportable event, a copy of the notice of such reportable event given or required to be given to the PBGC; (ii) receives notice of complete or partial withdrawal liability under Title IV of ERISA or notice that any Multiemployer Plan is in reorganization, is insolvent or has been terminated, a copy of such notice; (iii) receives notice from the PBGC under Title IV of ERISA of an intent to terminate, impose liability (other than for premiums under Section 4007 of ERISA) in respect of, or appoint a trustee to administer any Plan, a copy of such notice; (iv) applies for a waiver of the minimum funding standard under Section 412 of the Code, a copy of such application; (v) gives notice of intent to terminate any Plan under Section 4041(c) of ERISA, a copy of such notice and other information filed with the PBGC; (vi) gives notice of withdrawal from any Plan pursuant to Section 4063 of ERISA, a copy of such notice; or (vii) fails to make any payment or contribution to any Plan or Multiemployer Plan or in respect of any Benefit Arrangement or makes any amendment to any Plan or Benefit Arrangement which has resulted or could reasonably be expected to result in the imposition of a

Lien or the posting of a bond or other security, a certificate of a Financial Officer of the Borrower setting forth details as to such occurrence and action, if any, which the Borrower or applicable ERISA Affiliate is required or proposes to take. Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto; and

(c) (i) of any change in the information provided in the most recent Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified therein (or, if applicable, the Borrower or any Subsidiary ceasing to fall within an express exclusion to the definition of “legal entity customer” under the Beneficial Ownership Regulation) and (ii) promptly upon the reasonable request of the Administrative Agent or any Lender, any information or documentation requested by it for purposes of complying with the Beneficial Ownership Regulation.

Section 5.03 Existence; Conduct of Business. The Borrower will, and will cause each of its Material Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises necessary or desirable in the normal conduct of its business; provided that the foregoing shall not prohibit any merger or consolidation of the Borrower permitted under Section 6.03 or any merger, consolidation, liquidation or dissolution of any Subsidiary that is not otherwise prohibited by the terms of this Agreement; and provided, further, that neither the Borrower nor any of its Subsidiaries shall be required to preserve, renew or keep in full force and effect any right, license, permit, privilege or franchise to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 5.04 Payment of Obligations. The Borrower will, and will cause each of its Subsidiaries to, pay or discharge, before the same shall become delinquent or in default, its obligations, including liabilities for Taxes, that, if not paid, could reasonably be expected to result in a Material Adverse Effect, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, and (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

Section 5.05 Maintenance of Properties; Insurance. The Borrower will, and will cause each of its Material Subsidiaries to, (a) keep and maintain all property material to the conduct of each of their respective business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations (including, without limitation, through a captive insurer or by the maintenance of adequate self-insurance reserves to the extent customary among such companies), except where the failure to do so, individually or in the aggregate would not reasonably be expected to result in a Material Adverse Effect.

Section 5.06 Books and Records; Inspection Rights. The Borrower will, and will cause each of its Subsidiaries to, keep proper books of record and account in which complete and accurate entries, in all material respects, are made of its financial and business transactions to the extent required by GAAP and applicable law. The Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, at such Administrative Agent’s or Lender’s expense, upon reasonable prior notice and subject to any applicable restrictions or limitations on access to any facility or information that is classified or restricted by contract or by law, regulation or governmental guidelines, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its

affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested; provided that advance notice of any discussion with such independent accountants shall be given to the Borrower and, so long as no Event of Default shall have occurred and be continuing, the Borrower shall have the opportunity to be present at any such discussion. The Administrative Agent and each Lender agree to keep all information obtained by them pursuant to this Section confidential in accordance with Section 9.13.

Section 5.07 Compliance with Laws. The Borrower will, and will cause each of its Subsidiaries to, comply, in all respects with all applicable laws, ordinances, rules, regulations, and requirements of Governmental Authorities (including, without limitation, applicable Environmental Laws and ERISA and the rules and regulations thereunder and Anti-Corruption Laws and applicable Sanctions), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and enforce policies and procedures designed, in its reasonable business judgment, to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents (acting in their capacity as agents for the Borrower and its Subsidiaries, as applicable) with Anti-Corruption Laws and applicable Sanctions.

Section 5.08 Use of Proceeds of Loans and Letters of Credit. The proceeds of the Loans will be used for general corporate purposes of the Borrower and its Subsidiaries. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. Letters of Credit will be issued only for general corporate purposes. The proceeds of the Letters of Credit will be used only to support the general corporate purposes of the Borrower and its Subsidiaries. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, business or transaction would be prohibited by applicable Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 5.09 Subsidiary Guarantors. The Borrower will cause each of its Subsidiaries that incurs or Guarantees any Material Indebtedness (other than intercompany Indebtedness) to become a Guarantor. The Subsidiary Guarantee of such Guarantor shall be released and discharged as provided in Section 9.09 substantially contemporaneously with the last to occur of the (i) full satisfaction of such Guarantor's obligations under such Material Indebtedness and (ii) the release and discharge of such Guarantor from its Guarantee of such Material Indebtedness, as applicable.

ARTICLE VI NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

Section 6.01 Indebtedness.

(a) At no time shall the aggregate of the following exceed 15% of Consolidated Net Tangible Assets: (i) secured Indebtedness and Derivative Obligations of the Borrower and its Subsidiaries (provided that, for purposes of the calculation in this Section 6.01(a)(i), (A) Indebtedness of the Borrower and its Subsidiaries that is secured by a Lien that is permitted by Section 6.02 (other than clause (m) of such Section 6.02) and (B) Liens arising as a result of customary netting and offset provisions in Hedging Agreements, shall be disregarded), plus (ii) unsecured Indebtedness of the Subsidiaries of the Borrower (provided that, for purposes of the calculation in this Section 6.01(a)(ii), Indebtedness that is Excluded Subsidiary Debt shall be disregarded).

(b) The Borrower will not permit Indebtedness of the Borrower or its Subsidiaries in respect of Securitization Transactions to exceed \$750,000,000, in the aggregate at any time outstanding.

Section 6.02 Liens. The Borrower will not, and will not permit any of its Subsidiaries to, create, assume or suffer to exist any Lien to secure payment of any Indebtedness or any Derivatives Obligations on any Property now owned or hereafter acquired by it, except for:

(a) Liens in favor of the Administrative Agent securing Indebtedness or other obligations existing pursuant to this Agreement;

(b) Liens created by Capital Lease Obligations, provided that the Liens created by any such Capital Lease Obligations attach only to the Property leased to the Borrower or one of its Subsidiaries pursuant thereto and general intangibles and proceeds related thereto, and improvements, accessories and upgrades to the Property leased pursuant thereto;

(c) purchase-money Liens and Liens on Property acquired, constructed or improved by the Borrower or any Subsidiary (including such Liens securing Indebtedness incurred within 180 days of the date on which such Property was acquired or the date of completion of such construction or improvement), provided that all such Liens attach only to the Property purchased, constructed or improved with the proceeds of the Indebtedness secured thereby and improvements, accessions, general intangibles and proceeds related thereto;

(d) Liens on Property of a Person which exist at the time such Person becomes a Subsidiary of the Borrower as a result of an acquisition, merger or other combination, or at the time such Person is merged or consolidated with or into, or otherwise acquired by, the Borrower or a Subsidiary (including improvements, accessions, general intangibles and proceeds related thereto), which Liens were not granted in contemplation of such acquisition, merger, or other combination and which Liens attach only to the Property described in this clause (d);

(e) any Lien existing on any Property prior to the acquisition thereof by the Borrower or a Subsidiary (including improvements, accessions, general intangibles and proceeds related thereto), which Liens were not granted in contemplation of such acquisition and which Liens attach only to the Property described in this clause (e);

(f) Liens on Property of a non-wholly owned Subsidiary to secure obligations of such Subsidiary to the Borrower or to a wholly owned Subsidiary; provided, however, that the obligations so secured may not be assigned, sold or otherwise transferred to a Person other than the Borrower or another wholly owned Subsidiary unless such Liens are otherwise permitted hereunder;

(g) Liens arising in connection with statutory or contractual setoff provisions granted or arising in the ordinary course of business in favor of banks, brokers, or other creditors;

(h) Liens customarily granted on accounts receivable and related assets in connection with Securitization Transactions to the extent Indebtedness in respect of such Securitization Transactions is permitted under Section 6.01(a);

(i) any Lien on Property of a Subsidiary of the Borrower to the extent that (A) such Subsidiary has provided a Guarantee of the Borrower's Indebtedness and other obligations existing under this Agreement, (B) the Indebtedness of the Subsidiary of the Borrower that is secured by such Lien is pari passu with (or subordinate to) the Indebtedness and other obligations existing pursuant to this Agreement and (C) any Property that is subject to a Lien in support of such Indebtedness is also subject to a pari passu (or higher priority) Lien in favor of the Administrative Agent securing Indebtedness or other obligations existing pursuant to this Agreement;

(j) Liens securing Indebtedness existing on the Second Amendment Effective Date and listed on Schedule 6.02(j);

(k) any Lien arising out of refinancing, extending, renewing or refunding (or successively refinancing, extending, renewing or refunding) any Indebtedness secured by any Lien permitted by any of the foregoing clauses of this Section, provided that the principal amount of such Indebtedness is not increased and such Indebtedness is not secured by any additional Property;

(l) any Lien on (A) Equity Interests in a Joint Venture securing obligations of such Joint Venture and (B) Equity Interests in an Excluded Party securing obligations of such Excluded Party; and

(m) Liens not otherwise permitted by the foregoing clauses of this Section 6.02 securing Indebtedness and Derivative Obligations, provided such Indebtedness and Derivative Obligations are permitted under Section 6.01(a).

Section 6.03 Fundamental Changes.

(a) The Borrower will not merge into or consolidate with (including by division) any other Person, or permit any other Person to merge into or consolidate with the Borrower, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of the Borrower's assets, whether now owned or hereafter acquired (including stock of its Subsidiaries), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing (i) any Person may merge into the Borrower in a transaction in which the Borrower is the surviving corporation, and (ii) any Person may merge with the Borrower as long as the surviving entity, if other than the Borrower, (A) is a corporation or other entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof, (B) has no rating of Index Debt that is not an Investment Grade Rating and (C) assumes, pursuant to the terms of such transaction, each of the obligations of the Borrower under the Transactions and such assumption is evidenced by an agreement executed and delivered to the Lenders within 30 days of such transaction in a form reasonably satisfactory to the Required Lenders. Without limiting the generality of the foregoing, the transfer of more than 50% of the Borrower's Consolidated Total Assets shall be deemed, for the purposes of this Section 6.03(a), a transfer of all or substantially all of the assets of the Borrower.

(b) The Borrower will not, and will not permit any of its Material Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Borrower and its Subsidiaries on the Second Amendment Effective Date and businesses reasonably related thereto.

Section 6.04 Hedging Agreements. The Borrower will not, and will not permit any of its Subsidiaries to, enter into any Hedging Agreement, other than Hedging Agreements that are (i) usual and customary in the Borrower's and its Subsidiaries' industry or (ii) entered into in the ordinary course of business; provided that no Hedging Agreement may be entered into for purposes of speculation.

Section 6.05 Transactions with Affiliates. The Borrower will not, and will not permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except in the ordinary course of business at prices and on terms and conditions on an arm's-length basis, provided that the foregoing restriction shall not apply to:

(a) transactions between or among the Borrower and its Subsidiaries or between or among Subsidiaries;

(b) transactions pursuant to any contract or agreement in effect on the Second Amendment Effective Date, as the same may be amended, modified or replaced from time to time, so long as any such contract or agreement as so amended, modified or replaced is, taken as a whole, no less favorable to the Borrower and its Subsidiaries in any material respect than the contract or agreement in effect on the Second Amendment Effective Date;

(c) transactions pursuant to which (i) taxes are allocated among the Borrower and its Affiliates in any manner consistent with Section 1552 (or any successor provision) of the Code, (ii) general and administrative expenses are allocated among the Borrower and its Affiliates in any manner consistent with Section 482 (or any successor provision) of the Code, and (iii) interest is charged or credited to Affiliates in any reasonable manner not inconsistent with the Code; and

(d) transactions entered into with any Excluded Party or any Joint Venture on terms and conditions, taken as a whole, that are fair and reasonable to the Borrower and its Subsidiaries as determined in the good faith judgment of the Borrower, taking into account the totality of the relationship between the Borrower and its Subsidiaries, on the one hand, and such Excluded Party or such Joint Venture, as applicable, on the other.

Section 6.06 Subsidiary Distributions. The Borrower will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interest or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Indebtedness of the Borrower or any other Subsidiary; provided that the foregoing shall not apply to (a) restrictions and conditions imposed by law or by this Agreement, (b) restrictions and conditions contained in agreements between or among the Borrower and its Affiliates with respect to the sale, transfer, other disposition or prepayment of any intercompany debt owed by the Borrower or any of its Subsidiaries, and (c) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder.

Section 6.07 Financial Covenant. The Borrower will not permit Consolidated Net Debt as of the last day of any Fiscal Quarter to exceed 65% of Total Capitalization as of such date.

**ARTICLE VII
EVENTS OF DEFAULT**

Section 7.01 Events of Default. If any of the following events ("Events of Default") shall occur:

(a) the Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under the Loan Documents for which the Borrower has received an invoice or other written notice that such amount is due and payable, in each case when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower or any Subsidiary in any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) when made or deemed made;

(d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02, Section 5.03 (with respect to the Borrower's existence) or Section 5.08 or in Article VI;

(e) the Borrower or any Guarantor shall fail to observe or perform any covenant, condition or agreement contained in the Loan Documents (other than those specified in clause (a), (b) or (d) of this Article), and such failure shall continue unremedied for a period of 30 days after the earlier to occur of (i) notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender) or (ii) the date any Responsible Officer of a Loan Party has knowledge of the occurrence of such failure;

(f) the Borrower or any Subsidiary shall fail to make any payment in excess of \$1,000,000 in the aggregate (whether of principal, interest or fees) in respect of any Material Indebtedness, when and as the same shall become due and payable (after giving effect to any applicable notice requirement or grace period);

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity; provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other similar relief in respect of the Borrower or any Material Subsidiary or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Material Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Borrower or any Material Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief with respect to itself or its debts under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Material Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding provided such petition on its face is sufficient such that admission of the material allegations therein provides a basis for granting the relief requested, (v) make a general assignment for the benefit of creditors or (vi) take any corporate action to authorize any of the foregoing;

(j) the Borrower or any Material Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more final judgments for the payment of money in an aggregate amount in excess of \$100,000,000 (to the extent not covered by independent third party insurance as to which the respective insurer does not dispute coverage and is not subject to an insolvency proceeding) shall be rendered against the Borrower, any Subsidiary or any combination thereof and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Borrower or any Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(m) other than as a result of (i) the termination of the obligations of any Guarantor under a Subsidiary Guarantee pursuant to the terms thereof or pursuant to Section 9.09, (ii) the exchange or replacement of any promissory note hereunder (with respect to the previously existing promissory note which was so exchanged or replaced), (iii) the agreement of the Required Lenders or all Lenders, as may be required hereunder, or (iv) in accordance with the other provisions of this Agreement, the expiration or termination of the Commitments, the payment in full of the principal and interest on each Loan and all fees payable hereunder, the expiration or termination of all Letters of Credit (or the cash collateralization thereof in accordance with the provisions of this Agreement or other arrangements with respect thereto that are satisfactory to the applicable Issuing Bank) and the reimbursement of all LC Disbursements, any Loan Document (or any material provision thereof), at any time after its execution and delivery, ceases to be in full force and effect or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable; or the Borrower or any Guarantor denies in writing that it has any liability or obligation thereunder, or purports to revoke, terminate or rescind any Loan Document (other than pursuant to the terms hereof or thereof); or

(n) a Change in Control shall occur;

then, and in every such event (other than an event with respect to the Borrower described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and

payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any event with respect to the Borrower or any Material Subsidiary described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

ARTICLE VIII THE ADMINISTRATIVE AGENT

Section 8.01 Agency. Each of the Lenders and the Issuing Banks hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender or an Issuing Bank as any other Lender or Issuing Bank and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (c) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone

and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor from among the Lenders. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent. If the Administrative Agent becomes a Defaulting Lender hereunder, the Borrower may remove the Administrative Agent in its capacity as Administrative Agent hereunder by notifying the Administrative Agent, the Lenders and the Issuing Bank. Upon such notification, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor from among the Lenders.

None of the Joint Lead Arrangers, Syndication Agent or Co-Documentation Agents shall have any duties, responsibilities or liabilities under this Agreement and the other Loan Documents other than the duties, responsibilities and liabilities assigned to such entities in their capacities as Lenders (or Issuing Banks, if applicable) hereunder.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder. Each Lender, by delivering its signature page to this Agreement, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other

document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Revolving Effective Date that has been made available by the Administrative Agent to the Lenders.

Section 8.02 Erroneous Payments. (a) Each Lender, each Issuing Bank and any other party hereto hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or Issuing Bank or any other Person that the Administrative Agent has determined in its sole discretion has received funds on behalf of a Lender, Issuing Bank or other Person (each such recipient, a "Payment Recipient") from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment or (z) that such Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) then, in each case an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 8.02(a), whether received as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, an "Erroneous Payment") then such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section shall require the Administrative Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a)(ii) above, it shall promptly (and, in all events, within one Business Day of its knowledge (or deemed knowledge) of such error) notify the Administrative Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and upon demand from the Administrative Agent such Payment Recipient shall (or with respect to any Payment Recipient who received such funds on its behalf shall cause such Payment Recipient to) promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, except, in each case, to the extent such Erroneous Payment (or any portion thereof) is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any Loan Party for the purposes of making such Erroneous Payment.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (c), from any Lender or Issuing Bank that is a Payment Recipient (such unrecovered amount as to such Lender or Issuing Bank, an “Erroneous Payment Return Deficiency”), then at the sole discretion of the Administrative Agent and upon the Administrative Agent’s written notice to such Payment Recipient (i) such Payment Recipient shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) to the Administrative Agent or, at the option of the Administrative Agent, the Administrative Agent’s lending affiliate, in a principal amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest, without further consent or approval of any party hereto. Without any further payment by the Administrative Agent or its lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment, and the Administrative Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. As to any Erroneous Payment Deficiency Assignment, the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 9.04. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Issuing Bank and such Commitments shall remain available in accordance with the terms of this Agreement.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any obligations owed by the Borrower or any other Loan Party and (z) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the obligations, the obligations or any part thereof that were so credited, and all rights of the applicable Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received, except, in each case, to the extent such Erroneous Payment (or any portion thereof) is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds of the Borrower or any other Loan Party.

(f) Each Payment Recipient hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under pursuant to this Section 8.02 or under the indemnification provisions of this Agreement.

(g) Each party’s obligations under this Section 8.02 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all obligations (or any portion thereof) under any Loan Document.

ARTICLE IX MISCELLANEOUS

Section 9.01 Notices.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone or electronic mail (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service or mailed by certified or registered mail, as follows:

(i) if to the Borrower, to:

HollyFrontier Corporation
2828 N. Harwood, Suite 1300
Dallas, Texas 75201
Attention: Mr. John Harrison, Vice President and Treasurer

(ii) if to the Administrative Agent or to MUFG Bank, Ltd., as an Issuing Bank, the Swingline Lender or a Lender, to:

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Lawrence Blat

with a copy to:

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Agency Desk

(iii) if to any other Lender, to it at its address set forth in its Administrative Questionnaire.

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including electronic mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender, the Swingline Lender, or Issuing Bank, as applicable, pursuant to Article II if such Lender, the Swingline Lender or Issuing Bank, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article II by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Notices and other communications (i) sent to an email address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its email address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address. Any party hereto may change its address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 9.02 Waivers; Amendments.

(a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b), (c) or (d) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Except as provided in Section 9.02(c), none of this Agreement, any other Loan Document or any provision hereof or thereof may be waived, amended or modified except, in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Borrower, and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders and in the case of any other Loan Documents, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, in each case with the consent of the Required Lenders; provided that (x) the Borrower, the Administrative Agent and the Lenders consenting to the Borrower's request for any extension of the Maturity Date in accordance with Section 2.21 or providing any Commitment Increase in accordance with Section 2.02 may enter into any amendment necessary to implement the terms of such Commitment Increase in accordance with the terms of this Agreement without the consent of any other Lender and (y) the Borrower and the Administrative Agent may amend this Agreement or any other Loan Document without the consent of the Lenders in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document.

(c) Notwithstanding anything to the contrary contained in paragraphs (a) and (b) above, no such agreement or agreements referred to in such paragraphs shall (i) increase or extend the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration or termination of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.09(c), Section 2.18(b) or Section 2.18(c) in a manner that would alter the *pro rata* treatment of Lenders or *pro rata* sharing of payments required thereby, without the written consent of each Lender adversely affected thereby, (v) change Section 2.21, Section 4.01, Section 4.02 or any of the provisions of this Section or the percentage set forth in the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender adversely affected thereby, (vi) amend, modify or otherwise change Section 2.22 without the written consent of the

Administrative Agent, the Swingline Lender, each Issuing Bank and the Required Lenders, (vii) release any one or more Guarantors which, individually or in the aggregate, constitute material Guarantors from their Subsidiary Guarantee, except as provided in Section 9.09, (viii) amend the definition of “Alternative Currency” or the terms of Section 2.02(a) in a manner that would either (A) add additional currencies other than dollars and Alternative Currencies or (B) permit an increase in the Alternative Currency LC Sublimit or the total Multicurrency Commitments, without the written consent of each Lender or (ix) amend the definition of “Applicable Percentage” without the consent of each Lender. In addition, no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Swingline Lender or any Issuing Bank hereunder without the prior written consent of the Administrative Agent, the Swingline Lender or such Issuing Bank, as the case may be.

Section 9.03 Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable and documented fees, charges and disbursements of one legal counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein and the preparation and administration of this Agreement, (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable and documented fees, charges and disbursements of one legal counsel for the Administrative Agent, in connection with any amendments, modifications or waivers of the provisions hereof (in the case of clauses (i) and (ii), whether or not the transactions contemplated hereby or thereby shall be consummated), (iii) all reasonable and documented out-of-pocket expenses incurred by each Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit issued by it or any demand for payment thereunder, (iv) all reasonable and documented out-of-pocket expenses incurred by the Swingline Lender in connection with making any Swingline Loan or any demand for payment thereunder, and (v) all documented out-of-pocket expenses incurred by the Administrative Agent, any Issuing Bank, the Swingline Lender or any Lender, including the reasonable fees, charges and disbursements of (A) one counsel for the Administrative Agent, and (B) one counsel for the Lenders, taken as a whole, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) The Borrower shall indemnify the Administrative Agent, the Joint Lead Arrangers, each Issuing Bank, the Swingline Lender and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including settlement costs and the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that (A) such indemnity shall

not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to arise out of or in connection with (1) the gross negligence, bad faith or willful misconduct of such Indemnitee, (2) any material breach of any of its obligations under the Loan Document by such Indemnitee or (3) disputes, claims, demands, actions, judgments or suits not arising from any act or omission by the Borrower or its Affiliates, brought by an Indemnitee against any other Indemnitee (other than any such dispute, claim, demand, action, judgment or suit which relate to the Administrative Agent in such capacity); (B) at the request of an Indemnitee, the Borrower shall assume the defense of any third party claim, including the employment of counsel reasonably acceptable to such Indemnitee and payment of all reasonable and documented out-of-pocket fees and expenses of such counsel, and (C) each Indemnitee shall consult with the Borrower from time to time at the request of the Borrower regarding the conduct of the defense in any such proceeding (other than in respect of proceedings in which the Borrower or any of its Affiliates is a party adverse to such Indemnitee or if the Borrower has assumed the defense of any third party claim so long as it shall have notified the Indemnitee thereof and no conflict of interest shall occur). Further, the Borrower shall not be liable for any settlement or compromise by any Indemnitee of any suit, claim, action or other proceeding effected without the Borrower's prior written consent, which consent will not be unreasonably withheld; provided the Borrower has demonstrated its ability to pay such settlement. If the Borrower assumes the defense of any third party claim, (x) the Borrower shall have full control of such defense and proceedings, including any compromise or settlement thereof, (y) the Indemnitee shall be entitled, at its own expense, to participate in (but not control) such defense, at its own expense, and (z) the Borrower shall not settle any such claim or action without the prior written consent of the Indemnitee unless such settlement (I) provides for a full and unconditional release of all liabilities arising out of such claim or action against such Indemnitee, (II) does not include any statement as to or an admission of fault, culpability or failure to act by or on behalf of any Indemnitee, and (III) involves only the payment of a monetary sum (and does not restrict any future activity of any Indemnitee). If requested by the Borrower, the Indemnitee shall cooperate in contesting any third party claim that the Borrower elects to contest.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, any Joint Lead Arranger, the Swingline Lender or any Issuing Bank under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent, such Joint Lead Arranger, the Swingline Lender or such Issuing Bank, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, such Joint Lead Arranger, the Swingline Lender or such Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, no party hereto shall assert, and each party hereto hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, exemplary, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; provided that nothing contained in this sentence shall limit the Borrower's indemnification obligations to the extent such special, indirect, exemplary, consequential or punitive damages are included in any third party claim in connection with which such Indemnitee is entitled to indemnification hereunder. No Indemnitee referred to in paragraph (b) above, and no Credit Party, shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) All amounts due under this Section shall be payable promptly after written demand therefor.

(f) For the avoidance of doubt, notwithstanding any provision in this Section 9.03 to the contrary, this Section 9.03 shall not apply with respect to Taxes other than Taxes that represent losses, claims, or damages arising from a non-Tax claim.

Section 9.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) other than as permitted in Section 6.03, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks, the Swingline Lender and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) of:

(A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee provided further, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund;

(C) each Issuing Bank; and

(D) the Swingline Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$10,000,000 unless each of the Borrower and

the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that the assignment of any part of all the assigning Lender's rights and obligations in respect of Commitments or Loans shall require a *pro rata* assignment of such assigning Lender's Multicurrency Commitments or Multicurrency Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 (which may be waived at the discretion of the Administrative Agent and which, for the avoidance of doubt, shall not be for the account of the Borrower, other than in respect of an assignment initiated by the Borrower pursuant to Section 2.19(b));

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(E) no assignment shall be made to a Defaulting Lender, a natural person, the Borrower or an Affiliate of the Borrower.

For the purposes of this Section 9.04(b), the term "Approved Fund" has the following meaning:

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified by the Administrative Agent in its reasonable discretion in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.15, Section 2.16, Section 2.17 and Section 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the

Register shall be conclusive, and the Borrower, the Administrative Agent, the Issuing Banks and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.06(d) or (e), Section 2.07(b), Section 2.18(d) or Section 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower, the Administrative Agent, the Swingline Lender or any Issuing Bank, sell participations to one or more banks or other entities (other than Competitors)(a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent, the Swingline Lender, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first sentence of Section 9.02(c) that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Section 2.15, Section 2.16, and Section 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.15 or Section 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant shall not be entitled to the benefits of Section 2.17 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.17(f) as though it were a Lender.

(iii) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and

stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"). The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under this Agreement) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.05 Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and the issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Section 2.15, Section 2.16, Section 2.17 and Section 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

Section 9.06 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by electronic transmission (i.e. "pdf") shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 9.07 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of

such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 9.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized, at any time and from time to time, to the fullest extent permitted by applicable law, to setoff and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower against any of and all the obligations of the Borrower that are due and payable at such time held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement; provided that such Lender shall provide prompt written notice to the Administrative Agent of the exercise of such setoff; provided, further, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.22 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Banks, and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees to promptly notify the Borrower after any such setoff and application by it or any of its Affiliates, provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Lender under this Section are in addition to and shall not be affected by any other rights and remedies (including other rights of setoff) which such Lender may have.

Section 9.09 Subsidiary Guarantees. At any time when the Borrower is not required to cause its Subsidiaries to be Guarantors pursuant to Section 5.09, the Borrower may (but is not required to), at any time upon three Business Days' notice to the Administrative Agent, cause any of its Subsidiaries organized under the laws of the United States of America, any State thereof or the District of Columbia to become a Guarantor by such Subsidiary executing and delivering to the Administrative Agent a Subsidiary Guarantee, together with such evidence of authority and opinions (which may be opinions of in-house counsel) as the Administrative Agent may reasonably request. So long as no Default has occurred and is continuing (or would result from such release), (i) if all of the Equity Interests in a Guarantor that is owned by the Borrower or a Subsidiary are sold or otherwise disposed of in a transaction or transactions not prohibited by this Agreement, (ii) if the Borrower designates an existing Guarantor as an Excluded Party or (iii) in the event that, immediately after giving effect to the release of any Guarantor's Subsidiary Guarantee, all of the Indebtedness of the Subsidiaries that are not Guarantors is permitted under Section 6.01, then, in each case, promptly following Borrower's request, the Administrative Agent shall execute a release of such Guarantor from its Subsidiary Guarantee.

Section 9.10 Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final

judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section is intended to waive the right of any party to remove any such action or proceeding commenced in any such New York State court to an appropriate New York Federal court to the extent the basis for such removal exists under applicable law. Nothing in this Agreement shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its Properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 9.11 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.12 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 9.13 Confidentiality.

(a) Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors, including any credit insurance provider relating to the Borrower and its obligations (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (ii) to the extent requested by any regulatory authority or self-regulatory authority, (iii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (iv) to any other party to this Agreement, (v) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section, to (1) any assignee of or

Participant in, or any prospective assignee of or prospective Participant in, any of its rights or obligations under this Agreement or (2) any actual or prospective counterparty (or its advisors) to any swap, securitization or derivative transaction relating to the Borrower and its obligations under this Agreement, (vii) with the consent of the Borrower or (viii) to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section or (2) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis from a source other than the Borrower. For the purposes of this Section 9.13, “Information” means all information received from or on behalf of the Borrower relating to the Borrower and its Affiliates or their respective businesses, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by or on behalf of the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(b) Each Lender acknowledges that Information as defined in Section 9.13(a) furnished to it pursuant to this agreement may include material non-public information concerning the Borrower and its Affiliates or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and laws applicable to such Lender, including federal and state securities laws.

(c) All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its Administrative Questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law.

Section 9.14 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the “Charges”), shall exceed the maximum lawful rate (the “Maximum Rate”) which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Section 9.15 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”) hereby notifies the Borrower and the Guarantors that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower and the Guarantors, which information includes the name and address of the Borrower and each Guarantor and other

information that will allow such Lender to identify the Borrower and the Guarantors in accordance with the Act.

Section 9.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services provided by the Administrative Agent, the Joint Lead Arrangers and the Lenders in connection with this Agreement are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Joint Lead Arrangers and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Joint Lead Arrangers and the Lenders is, and has been, acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent, the Joint Lead Arrangers nor the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Joint Lead Arrangers, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent, the Joint Lead Arrangers nor the Lenders has any obligation to disclose any of such interests to the Borrower or any of its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Joint Lead Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 9.17 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedging Agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and, each such QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the FDIC under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a

state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 9.17, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

Section 9.18 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

[SIGNATURES BEGIN NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

HOLLYFRONTIER CORPORATION, a Delaware corporation, as
Borrower

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

MUFG BANK, LTD., as the Administrative Agent, the Swingline Lender, an Issuing Bank and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

WELLS FARGO BANK, N.A., as the Syndication Agent, an Issuing
Bank and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

BANK OF AMERICA, N.A., as a Co-Documentation Agent, an
Issuing Bank and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

CITIBANK, N.A., as a Co-Documentation Agent, an Issuing Bank and
a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

THE TORONTO-DOMINION BANK, NEW YORK BRANCH, as
a Co-Documentation Agent, an Issuing Bank and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

THE BANK OF NOVA SCOTIA, HOUSTON BRANCH, as a Co-Documentation Agent and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

SUMITOMO MITSUI BANKING CORPORATION, as a Co-Documentation Agent and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

TRUIST BANK, as a Co-Documentation Agent and a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

GOLDMAN SACHS BANK USA, as a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

BNP PARIBAS, as a Lender

By:
Name:
Title:

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

BARCLAYS BANK, PLC, as a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

COMERICA BANK, as a Lender

By:

Name:

Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

CITIZENS BANK N.A., as a Lender

By:
Name:
Title:

[Signature Page to Senior Unsecured 5-Year Revolving Credit Agreement – HollyFrontier Corporation]

SCHEDULE 1.01

PRICING SCHEDULE

Level	Debt Rating of S&P (or then equivalent rating)	Debt Rating of Moody's (or then equivalent rating)	ABR Margin	CDOR Margin	Eurocurrency and Transitioned RFR Margin	Commitment Fee
I	BBB+	Baa1	0.25%	1.25%	1.25%	0.150%
II	BBB	Baa2	0.375%	1.375%	1.375%	0.175%
III	BBB-	Baa3	0.625%	1.625%	1.625%	0.225%
IV	BB+	Ba1	0.875%	1.875%	1.875%	0.275%
V	BB or lower	Ba2 or lower	1.125%	2.125%	2.125%	0.350%

Ratings in the above grid are based on the Debt Ratings assigned by Standard & Poor's Financial Services LLC ("S&P") and Moody's Investors Service, Inc. ("Moody's" and, together with S&P, the "Rating Agencies"). "Debt Rating" means, with respect to either Rating Agency, the rating assigned by such Rating Agency to the senior, unsecured, long-term indebtedness for borrowed money of the Borrower that is not guaranteed by any other person or subject to any other credit enhancement.

If at any time the Debt Rating assigned by one of the Rating Agencies is in a rating level which is one rating level higher (with the rating for Level I being the highest and the rating for Level V being the lowest) than the Debt Rating assigned by the other Rating Agency, then the Applicable Margin shall be determined by reference to the rates per annum opposite the higher of the Debt Ratings so assigned, and if the Debt Rating so assigned is in a rating level which is more than one rating level higher than the Debt Rating assigned by the other, then the Applicable Margin shall be determined by reference to the level next below that of the higher of the two ratings. If at any time only one of S&P and Moody's has in effect a Debt Rating (other than by reason of the circumstances referred to in the last sentence of this definition), then the Applicable Margin shall be determined by reference to the rates per annum set forth in the rating level for the single available Debt Rating. If at any time neither S&P nor Moody's has in effect a Debt Rating (other than by reason of the circumstances referred to in the last sentence of this definition), then the Applicable Margin shall be determined by reference to the rates per annum set forth in Level V above. If the rating system of Moody's or S&P shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

SCHEDULE 2.01

**APPLICABLE PERCENTAGES, COMMITMENTS
AND MULTICURRENCY COMMITMENTS**

Omitted pursuant to Item 601(a)(5) of Regulation S-K.

SCHEDULE 2.06

OUTSTANDING LETTERS OF CREDIT

Omitted pursuant to Item 601(a)(5) of Regulation S-K.

SCHEDULE 3.14

SUBSIDIARIES

Subsidiary	Jurisdiction of Organization	Equity Holder and % Held by Each
7037619 Canada Inc.	Canada	Petro-Canada Lubricants Inc. (100%)
Artesia PTU LLC	Delaware	HollyFrontier Renewables Holding Company LLC (100%)
Artesia Renewable Diesel Company LLC	Delaware	HollyFrontier Renewables Holding Company LLC (100%)
Black Eagle LLC	Delaware	HollyFrontier Corporation (100%)
Cheyenne Renewable Diesel Company LLC	Delaware	HollyFrontier Renewables Holding Company LLC (100%)
Eagle Consolidation LLC	Delaware	HollyFrontier Corporation (100%)
El Paso Operating LLC	Delaware	HollyFrontier Corporation (100%)
Ethanol Management Company LLC	Delaware	HollyFrontier Corporation (100%)
Frontier Pipeline LLC	Delaware	HollyFrontier Corporation (100%)
Frontier Refining & Marketing LLC	Delaware	HollyFrontier Corporation (100%)
Holly Petroleum, Inc.	Delaware	HollyFrontier Corporation (100%)
Holly Realty, LLC	Delaware	HollyFrontier Corporation (100%)
Holly Refining Communications, Inc.	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Asphalt Company LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Cheyenne Refining LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Cyprus Limited	Cyprus	HollyFrontier Luxembourg Holding Company (100%)
HollyFrontier El Dorado Refining LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier LSP Brand Strategies LLC	Delaware	HollyFrontier LSP Holdings LLC (100%)
HollyFrontier LSP Europe B.V.	Netherlands	HollyFrontier Netherlands B.V. (100%)
HollyFrontier LSP Holdings LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier LSP Latin America Holdings LLC	Delaware	HollyFrontier LSP Holdings LLC (100%)
HollyFrontier LSP Mexico S. de R.L. de C.V.	Mexico	HollyFrontier LSP Holdings LLC (99.99%); HollyFrontier LSP Latin America Holdings LLC (0.01%)
HollyFrontier LSP Services LLC	Delaware	HollyFrontier LSP US Holdings LLC (100%)
HollyFrontier LSP US Holdings LLC	Delaware	HollyFrontier LSP Holdings LLC (100%)
HollyFrontier Luxembourg Holding Company	Luxembourg	HollyFrontier LSP Holdings LLC (100%)
HollyFrontier Mexico Services S. de R.L. de C.V.	Mexico	HollyFrontier LSP Holdings LLC (99.99%); HollyFrontier LSP Latin America Holdings LLC (0.01%)
HollyFrontier Navajo Refining LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Netherlands B.V.	Netherlands	HollyFrontier Luxembourg Holding Company (100%)
HollyFrontier Payroll Services, Inc.	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Refining & Marketing LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Renewables Holding Company LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Renewables Marketing LLC	Delaware	HollyFrontier Renewables Holding Company LLC (100%)
HollyFrontier Transportation LLC	Delaware	HollyFrontier Corporation (100%)
HollyFrontier Tulsa Refining LLC	Delaware	HollyFrontier Corporation (100%)

HollyFrontier Woods Cross Refining LLC	Delaware	HollyFrontier Corporation (100%)
Hollymarks, LLC	Delaware	HollyFrontier Corporation (100%)
HRM Realty, LLC	Delaware	HollyFrontier Corporation (100%)
Jia Shi Lubricants Trading (Shanghai) Co., Ltd.	China	HollyFrontier Luxembourg Holding Company (100%)
Lea Refining Company	Delaware	HollyFrontier Navajo Refining LLC (100%)
Navajo Holdings, Inc.	New Mexico	HollyFrontier Corporation (100%)
Navajo Pipeline Co., L.P.	Delaware	Navajo Pipeline LP, L.L.C. (99.5%); Navajo Pipeline GP, L.L.C. (0.5%)
Navajo Pipeline GP, L.L.C.	Delaware	Navajo Holdings, Inc. (100%)
Navajo Pipeline LP, L.L.C.	Delaware	Navajo Holdings, Inc. (100%)
Petro-Canada America Lubricants LLC	Delaware	HollyFrontier LSP US Holdings LLC (100%)
Petro-Canada Europe Lubricants Limited	United Kingdom	HollyFrontier Luxembourg Holding Company (100%)
Petro-Canada Lubricants Inc.	Canada	HollyFrontier Luxembourg Holding Company (100%)
Qingdao Sonneborn Refined Products Co., Ltd.	China	Jia Shi Lubricants Trading (Shanghai) Co., Ltd. (100%)
Red Giant Oil Company LLC	Delaware	HollyFrontier LSP US Holdings LLC (100%)
Sonneborn do Brasil Representacoes Comerciais LTDA	Brazil	HollyFrontier LSP Holdings LLC (99.99%); HollyFrontier LSP Latin America Holdings LLC (0.01%)
Sonneborn Refined Products B.V.	Netherlands	HollyFrontier Netherlands B.V. (100%)
Sonneborn US Holdings LLC	Delaware	HollyFrontier LSP US Holdings LLC (100%)
Sonneborn, LLC	Delaware	Sonneborn US Holdings LLC (100%)

SCHEDULE 6.01

EXISTING INDEBTEDNESS OF SUBSIDIARIES

Omitted pursuant to Item 601(a)(5) of Regulation S-K.

Schedule 6.01(j) - 1

SCHEDULE 6.02(j)

EXISTING LIENS

Omitted pursuant to Item 601(a)(5) of Regulation S-K.

Schedule 6.01(j) - 2

EXHIBIT A
FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below (the “Effective Date”) and is entered into by and between *[Insert name of Assignor]* (the “Assignor”) and *[Insert name of Assignee]* (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor. The Assignee hereby represents and warrants that it is not a Competitor.

1. Assignor: _____
2. Assignee: _____

[and is an Affiliate/Approved Fund of identify Lender]¹

3. Credit Agreement: Senior Unsecured 5-Year Revolving Credit Agreement dated as of July 1, 2014 among HollyFrontier Corporation, the Lenders parties thereto, MUFG Bank, Ltd., as Administrative Agent, Swingline Lender and an Issuing Bank and the other Persons from time to time party thereto (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017).
4. Assigned Interest:

¹ Select as applicable.

Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Amount of Multicurrency Commitment/Multicurrency Loans Assigned	Applicable Percentage of Commitment/Loans Assigned ²
\$	\$	\$	%
\$	\$	\$	%
\$	\$	\$	%

Effective Date: [_____] / [____], 20[____] / [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

[SIGNATURES BEGIN NEXT PAGE]

² Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR:

/NAME OF ASSIGNOR/

By:

Name:

Title:

ASSIGNEE:

/NAME OF ASSIGNEE/

By:

Name:

Title:

[CONSENTS BEGIN NEXT PAGE]

Consented to and Accepted:

MUFG BANK, LTD., as Administrative Agent, Swingline Lender
and Issuing Bank

By:
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an
Issuing Bank

By:
Name:
Title:

BANK OF AMERICA, N.A., as an Issuing Bank

By:
Name:
Title:

CITIBANK, N.A., as an Issuing Bank

By:
Name:
Title:

THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
as an Issuing Bank

By:
Name:
Title:

/If additional Issuing Banks, add additional signature blocks for consent/

Exhibit A – 5

*/Consented to: /*³

HOLLYFRONTIER CORPORATION, as Borrower

By:
Name:
Title:

³ To be added only if the consent of the Borrower is required by the terms of the Credit Agreement. (See Section 9.04(b) of the Credit Agreement).

Exhibit A – 6

ANNEX 1
to Exhibit A for Credit Agreement

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by electronic transmission (i.e. "pdf") shall be effective as delivery of a manually

executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Exhibit A – 8

EXHIBIT B
FORM OF NOTICE OF COMMITMENT INCREASE

/Date/

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Lawrence Blat

with a copy to:

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Agency Desk

Ladies and Gentlemen:

The undersigned, HollyFrontier Corporation, a Delaware corporation (the "Borrower"), refers to the Senior Unsecured 5-Year Revolving Credit Agreement dated as of July 1, 2014 (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017 and as the same may be further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement", with terms defined in the Credit Agreement and not otherwise defined herein being used herein as therein defined) among the Borrower, MUFG Bank, Ltd., as Administrative Agent, Swingline Lender and an Issuing Bank, the Lenders and other Persons from time to time party thereto. The Borrower hereby notifies you, pursuant to Section 2.02 of the Credit Agreement, that it has arranged for the aggregate amount of the Commitments under the Credit Agreement to be increased by adding to the Credit Agreement the CI Lenders referenced below and/or by allowing one or more existing Lenders to increase their respective Commitments. With respect thereto, the Borrower sets forth below the information relating to such proposed Commitment Increase as required by Section 2.02(b) of the Credit Agreement:

(a) the effective date of such increase of aggregate amount of the Lenders' Commitments is _____ (herein, the "Commitment Increase Effective Date")⁴;

(b) the amount of the requested increase of the Commitments is \$ _____ (the "Commitment Increase");

(c) the CI Lenders that have agreed with the Borrower to provide their respective Commitments are _____ ***[INSERT NAMES OF THE CI LENDERS]***;

(d) the existing Lenders that have agreed with the Borrower to increase their respective Commitments are _____ ***[INSERT NAMES OF THE LENDERS]***; and

(e) set forth on Annex I attached hereto is the amount of the respective Commitments of each Lender and each CI Lender, after giving effect to the Commitment Increase hereunder, including the Commitments of all Reducing Percentage Lenders, all CI Lenders and all existing _____

⁴ The Commitment Increase Effective Date Shall be no earlier than five Business Days after receipt by the Administrative Agent of this notice.

Lenders increasing their respective Commitments as of the Commitment Increase Effective Date. As of the Commitment Increase Effective Date, Schedule 2.01 to the Credit Agreement shall be deemed to be amended and restated or replaced in its entirety with Annex I attached hereto to reflect the Commitment of each Lender (including any CI Lenders) after giving effect to the Commitment Increase.

Delivery of an executed counterpart of this Notice of Commitment Increase by electronic transmission (i.e. "pdf") shall be effective as delivery of an original executed counterpart of this Notice of Commitment Increase.

Very truly yours,

HOLLYFRONTIER CORPORATION

By:
Name:
Title:

On /_____/, acknowledged by:⁵

MUFG BANK, LTD., as Administrative Agent

By:
Name:
Title:

⁵ Insert date that Administrative Agent acknowledges receipt of this notice.

ANNEX I
to Exhibit B of Credit Agreement

REVISED SCHEDULE OF COMMITMENTS
AS OF THE COMMITMENT INCREASE EFFECTIVE DATE

/Insert revised schedule/

Exhibit B – 3

**EXHIBIT C
FORM OF BORROWING REQUEST**

MUFG Bank, Ltd.,
as Administrative Agent for the Lenders
parties to the Credit Agreement referred to below

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Lawrence Blat
E-mail: lblat@us.mufg.jp
Telephone: (212) 405-6620 / 6628

with a copy to:

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, New York 10020
Attention: Agency Desk
E-mail: agencydesk@us.mufg.jp

Reference: HollyFrontier Corporation

Ladies and Gentlemen:

The undersigned, HOLLYFRONTIER CORPORATION, a Delaware corporation, refers to the Senior Unsecured 5-Year Revolving Credit Agreement dated as of July 1, 2014 (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017 and as the same may be further amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”, with terms defined therein and not otherwise defined herein being used herein as therein defined), among the undersigned, MUFG Bank, Ltd., as Administrative Agent, Swingline Lender and an Issuing Bank, the Lenders and other Persons from time to time party thereto, and the undersigned hereby gives you notice, irrevocably, pursuant to Section 2.05 of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and with respect thereto sets forth below the information relating to such Borrowing (the “Proposed Borrowing”) as required by Section 2.05 of the Credit Agreement:

- (i) The aggregate amount of the Proposed Borrowing is [\$][C\$][€][£]_____.
- (ii) The Business Day of the Proposed Borrowing is_____.
- (iii) The Type of the Proposed Borrowing is /an ABR Borrowing/ /a CDOR Borrowing / /a Eurocurrency Borrowing/ /a [Daily Simple] [Term] RFR Borrowing/.
- (iv) The Interest Period for each [CDOR Borrowing] [Eurocurrency Borrowing] [Term RFR Borrowing] made as part of the Proposed Borrowing is _____ /days/ /month/s/.

Very truly yours,

HOLLYFRONTIER CORPORATION

By:
Name:
Title:

Exhibit C - 2

EXHIBIT D
FORM OF PROMISSORY NOTE

\$/_____ / New York, New York

/____ /, 20/____ /

FOR VALUE RECEIVED, the undersigned, HOLLYFRONTIER CORPORATION, a Delaware corporation (the "Borrower"), hereby unconditionally promises to pay to _____ (the "Lender") at the designated office of MUFG BANK, LTD. in lawful money of the United States of America and in same day funds, on the Initial Maturity Date (or such later Maturity Date as the Lender has consented to in writing) the principal amount of (a) _____ DOLLARS (\$ _____), or, if less, (b) the aggregate unpaid principal amount of all Loans made by the Lender to the Borrower pursuant to the Credit Agreement, as hereinafter defined. The Borrower further agrees to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the rates and on the dates specified in the Credit Agreement.

The holder of this Promissory Note (this "Note") is authorized to, and prior to any transfer hereof shall, endorse on the schedules attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof the date, Type and amount of each Loan made pursuant to the Credit Agreement and the date and amount of each payment or prepayment of principal thereof, each continuation thereof, each conversion of all or a portion thereof to another Type and, in the case of a CDOR Borrowing, Eurocurrency Borrowing or RFR Borrowing, the length of each Interest Period with respect thereto. The failure to make any such endorsement shall not affect the obligations of the Borrower in respect of such Loan.

This Note (a) is one of the Notes referred to in the Senior Unsecured 5-Year Revolving Credit Agreement, dated as of July 1, 2014 (as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017 and as the same may be further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, MUFG Bank, Ltd., as Administrative Agent, Swingline Lender and an Issuing Bank, the Lenders and other Persons from time to time party thereto, (b) is subject to the provisions of the Credit Agreement and (c) is subject to optional prepayment in whole or in part as provided in the Credit Agreement.

Reference is made to the Credit Agreement for provisions for the acceleration of the maturity hereof.

All parties now and hereafter liable with respect to this Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest, notice of intent to accelerate, notice of acceleration and all other notices of any kind except those expressly required under the Credit Agreement.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

HOLLYFRONTIER CORPORATION

By:
Name:
Title:

Exhibit D – 2

**SCHEDULE A
to
Promissory Note**

**LOANS, CONTINUATIONS, CONVERSIONS
AND REPAYMENTS OF CDOR LOANS, EURO CURRENCY LOANS AND RFR LOANS**

Exhibit D – 3

SCHEDULE B
to
Promissory Note

LOANS, CONVERSIONS AND REPAYMENTS OF ABR LOANS

Exhibit E – 4

EXHIBIT E

FORM OF SUBSIDIARY GUARANTEE

GUARANTEE dated as of [●] (this “Guarantee”), by each of the entities listed on the signature pages hereof or becoming a party hereto pursuant to Section 14.08 hereof (collectively, the “Guarantors”), in favor of the Administrative Agent, each Lender, each Issuing Bank (as each such term is defined in the Credit Agreement referred to below), the Swingline Lender (as such term is defined in the Credit Agreement referred to below), and each other holder of an Obligation (as such term is defined below) (collectively, the “Guarantied Parties”).

WHEREAS, pursuant to the Credit Agreement dated as of July 1, 2014 (together with all appendices, exhibits and schedules thereto, as amended by the First Amendment to Senior Unsecured 5-Year Revolving Credit Agreement dated as of February 16, 2017 and as the same may be amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”; capitalized terms defined therein and used herein having the meanings given to them in the Credit Agreement), among HollyFrontier Corporation, a Delaware corporation (the “Borrower”), the Lenders party thereto and MUFG Bank, Ltd., as Administrative Agent (in such capacity, the “Administrative Agent”), the Lenders have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Guarantor is a direct or indirect Subsidiary of the Borrower;

WHEREAS, each Guarantor will receive substantial direct and indirect benefits from the making of the Loans and Swingline Loans, the issuance of the Letters of Credit and the granting of the other financial accommodations to the Borrower under the Credit Agreement; and

WHEREAS, either (i) the Borrower is required by Section 5.09 of the Credit Agreement or (ii) the Borrower and the Guarantors have elected, pursuant to Section 9.09 of the Credit Agreement, to have the Guarantors execute and deliver this Guarantee for the benefit of the Guarantied Parties.

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Guarantee

(a) Each Guarantor hereby absolutely, unconditionally and irrevocably guarantees, jointly with the other Guarantors and severally, as primary obligor and not merely as surety, the full and punctual payment when due and in the currency due, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise in accordance herewith or any other Loan Document, of all the Obligations (as defined below), whether or not from time to time reduced or extinguished or hereafter increased or incurred, whether or not recovery may be or hereafter may become barred by any statute of limitations, whether or not enforceable as against the Borrower, whether now or hereafter existing, and whether due or to become due, including principal, interest (including interest accrued or accruing after the commencement of any proceeding under Title 11 of the United States Code (the “Bankruptcy Code”) or any other bankruptcy, insolvency, receivership or other similar proceeding, and interest at the contract rate applicable upon default accrued or accruing after the commencement of any such proceeding, in each case regardless of whether allowed or allowable in such proceeding), fees and costs of collection. This Guarantee constitutes a guaranty of payment when due (whether or not any

proceeding under the Bankruptcy Code shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not of collection.

(b) Each Guarantor further agrees that, if any payment made by the Borrower or any other Person and applied to the Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, then, to the extent of such payment or repayment, any such Guarantor's liability hereunder shall be and remain in full force and effect, as fully as if such payment had never been made. If, prior to any of the foregoing, this Guarantee shall have been cancelled or surrendered, this Guarantee shall be reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any such Guarantor in respect of the amount of such payment.

(c) In furtherance of the foregoing and not in limitation of any other right that any Guaranteed Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Borrower to pay any Obligation when and as the same shall become due and payable, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise in accordance herewith or any other Loan Document, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Administrative Agent for distribution to the applicable Guaranteed Parties in cash the amount of such unpaid Obligations. Upon payment by any Guarantor of any sums to the Administrative Agent as provided in this paragraph, all rights of such Guarantor against the Borrower arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Article VIII hereof.

(d) As used herein, the term "Obligations" means all obligations of the Loan Parties to pay (a) the aggregate outstanding principal amount of, and all unpaid interest (including interest accrued or accruing after the commencement of any proceeding under the Bankruptcy Code or any other bankruptcy, insolvency, receivership or other similar proceeding, and interest at the contract rate applicable upon default accrued or accruing after the commencement of any such proceeding, in each case regardless of whether allowed or allowable in such proceeding) on, the Loans (including any Swingline Loans) when and as due, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise in accordance herewith or any other Loan Document, (b) all reimbursement obligations (including payments in respect of reimbursement of disbursements and interest thereon) with respect to the LC Exposure and all obligations of the Loan Parties under any Loan Document to provide cash collateral for LC Exposure, and (c) all other outstanding liabilities, obligations and indebtedness owing by the Borrower to the Administrative Agent, any Lender, the Swingline Lender, any Issuing Bank or any other Indemnatee arising under the Credit Agreement or any other Loan Document, of every type and description (whether by reason of an extension of credit, opening or amendment of a letter of credit or payment of any draft drawn thereunder, loan, guarantee, indemnification or otherwise), present or future, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired and whether or not evidenced by any note, guarantee or other instrument for the payment of money (including any such liabilities, obligations and indebtedness incurred after the commencement of any proceeding under the Bankruptcy Code or any other bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

ARTICLE II

Limitation of Guarantee

Any term of this Guarantee to the contrary notwithstanding, the maximum aggregate amount of the Obligations for which any Guarantor shall be liable shall not exceed the maximum

amount for which such Guarantor can be liable without rendering this Guarantee, as it relates to such Guarantor, subject to avoidance under applicable law relating to fraudulent conveyance or fraudulent transfer (including Section 548 of the Bankruptcy Code or any applicable provisions of comparable state law) (collectively, “Fraudulent Transfer Laws”), in each case after giving effect (a) to all other liabilities of such Guarantor, contingent or otherwise, that are relevant under such Fraudulent Transfer Laws (specifically excluding, however, any liabilities of such Guarantor in respect of intercompany Indebtedness to the Borrower to the extent that such Indebtedness would be discharged in an amount equal to the amount paid by such Guarantor hereunder) and (b) to the value as assets of such Guarantor (as determined under the applicable provisions of such Fraudulent Transfer Laws) of any rights to subrogation, contribution, reimbursement, indemnity or similar rights held by such Guarantor pursuant to (i) applicable federal, state, local and foreign laws, rules and regulations, orders, judgments, decrees and other determinations of any Governmental Authority or arbitrator and common law, (ii) Article III of this Guarantee or (iii) any other obligation, agreement, undertaking or similar provisions of any security or any agreement, undertaking, contract, lease, indenture, mortgage, deed of trust or other instrument (excluding any Loan Document) providing for an equitable allocation among such Guarantor and other Subsidiaries or Affiliates of the Borrower of obligations arising under this Guarantee or other guaranties of the Obligations by such parties.

ARTICLE III

Indemnity and Contribution

SECTION 3.01. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable law (but subject to Article VIII hereof), the Borrower agrees that in the event a payment in respect of any Obligation shall be made by any Guarantor under this Guarantee, the Borrower shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the Person to whom such payment shall have been made to the extent of such payment.

SECTION 3.02. Contribution. In the event that any Guarantor (the “Claiming Party”) shall be required hereunder to make a payment in respect of any Obligation exceeding the greater of (a) the amount of the economic benefit actually received by such Guarantor from the Loans and the other financial accommodations provided to the Borrower under the Loan Documents and (b) the amount such Guarantor would otherwise have paid if such Guarantor had paid the aggregate amount of the Obligations (excluding the amount thereof repaid by the Borrower) in the same proportion as such Guarantor’s net worth bears to the aggregate net worth of all the Guarantors on the date of such payment, then (subject to Article VIII hereof) such Guarantor shall be reimbursed by such other Guarantors (each, a “Contributing Party”) for the amount of such excess, pro rata, based on the respective net worths of such other Guarantors at the date enforcement hereunder is sought. Any Contributing Party making a payment to a Claiming Party pursuant to this Section 3.02 shall be subrogated to the rights of such Claiming Party to the extent of such payment.

ARTICLE IV

Authorization; Other Agreements

The Guaranteed Parties are hereby authorized, without notice to, or demand upon, any Guarantor, which notice and demand requirements each are expressly waived hereby, and without discharging or otherwise affecting the obligations of any Guarantor hereunder (which obligations shall remain absolute and unconditional notwithstanding any such action or omission to act), from time to time, to do each of the following:

(a) supplement, renew, extend, accelerate or otherwise change the time for payment of, or other terms relating to, the Obligations, or any part of them, or otherwise modify,

amend or change the terms of any promissory note or other agreement, document or instrument (including the other Loan Documents) now or hereafter executed by the Borrower and delivered to the Guarantied Parties or any of them, including any increase or decrease of principal or the rate of interest thereon;

(b) waive or otherwise consent to noncompliance with any provision of any instrument evidencing the Obligations, or any part thereof, or any other instrument or agreement in respect of the Obligations (including the other Loan Documents) now or hereafter executed by the Borrower and delivered to the Guarantied Parties or any of them;

(c) accept partial payments on the Obligations;

(d) receive, take and hold security or collateral for the payment of the Obligations or any part of them and exchange, enforce, waive, substitute, liquidate, terminate, abandon, fail to perfect, subordinate, transfer, otherwise alter and release any such security or collateral;

(e) settle, release, compromise, collect or otherwise liquidate the Obligations or accept, substitute, release, exchange or otherwise alter, affect or impair any security or collateral for the Obligations or any part of them or any other guaranty therefor, in any manner;

(f) add, release or substitute any one or more other guarantors, makers or endorsers of the Obligations or any part of them and otherwise deal with the Borrower or any other guarantor, maker or endorser;

(g) apply to the Obligations any payment or recovery (i) from the Borrower, from any other guarantor, maker or endorser of the Obligations or any part of them or (ii) from any Guarantor in such order as provided herein, in each case whether such Obligations are secured or unsecured or guaranteed or not guaranteed by others;

(h) apply to the Obligations any payment or recovery from any Guarantor of the Obligations or any sum realized from security furnished by such Guarantor upon its indebtedness or obligations to the Guarantied Parties or any of them, in each case whether or not such indebtedness or obligations relate to the Obligations; and

(i) refund at any time any payment received by any Guarantied Party in respect of any Obligation, and payment to such Guarantied Party of the amount so refunded shall be fully guaranteed hereby even though prior thereto this Guarantee shall have been cancelled or surrendered, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any Guarantor hereunder in respect of the amount so refunded;

in each case, even if any right of reimbursement or subrogation or other right or remedy of any Guarantor is extinguished, affected or impaired by any of the foregoing (including any election of remedies by reason of any judicial, nonjudicial or other proceeding in respect of the Obligations that impairs any subrogation, reimbursement or other right of such Guarantor).

ARTICLE V

Guarantee Absolute and Unconditional

Each Guarantor hereby waives any defense of a surety or guarantor or any other obligor on any obligations arising in connection with or in respect of any of the following and hereby agrees that its obligations under this Guarantee are absolute and unconditional and shall not be discharged, reduced, limited, impaired or terminated or otherwise affected as a result of any of the following:

(a) the invalidity or unenforceability of, or any impossibility in the performance of, any of the Borrower's obligations under the Credit Agreement or any other Loan Document or any other agreement or instrument relating thereto, or any security for, or other guaranty of the Obligations or any part of them;

- (b) the absence of any attempt to collect on the Obligations or any part of them from the Borrower or other action to enforce the same;
- (c) any Guarantied Party's election, in any proceeding instituted under chapter 11 of the Bankruptcy Code, of the application of Section 1111 (b)(2) of the Bankruptcy Code or any applicable provisions of comparable state or foreign law;
- (d) any borrowing or grant of a Lien by the Borrower, as debtor-in-possession, or extension of credit, under Section 364 of the Bankruptcy Code or any applicable provisions of comparable state or foreign law;
- (e) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of any Guarantied Party's claim (or claims) for repayment of the Obligations;
- (f) any use of cash collateral under Section 363 of the Bankruptcy Code;
- (g) any agreement or stipulation as to the provision of adequate protection in any bankruptcy proceeding;
- (h) the avoidance of any Lien in favor of the Guarantied Parties or any of them for any reason;
- (i) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Borrower, any Guarantor or any of the Borrower's other Subsidiaries, including any discharge of, or bar or stay against collecting, any Obligation (or any part of them or interest thereon) in or as a result of any such proceeding;
- (j) failure by any Guarantied Party to file or enforce a claim against the Borrower or its estate in any bankruptcy or insolvency case or proceeding or otherwise;
- (k) any action taken by any Guarantied Party if such action is authorized hereby;
- (l) any change in the corporate existence or structure of the Borrower or any other Loan Party;
- (m) any defense, set-off, counterclaim, recoupment or termination (other than a defense of payment or performance) which may at any time be available to or be asserted by any Guarantor or any other Person against any Guarantied Party;
- (n) any applicable federal, state, local and foreign laws, rules and regulations, orders, judgments, decrees and other determinations of any Governmental Authority or arbitrator and common law affecting any term of any Guarantor's obligations under this Guarantee;
- (o) any rescission, waiver, amendment or modification of, or release from any of the terms or provisions of, any Loan Document or any other agreement, including with respect to any other Guarantor under this Guarantee; or
- (p) any other act, omission or circumstance that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor or any other obligor on any obligations, other than the payment in full in cash of the Obligations (other than indemnities and other contingent obligations (other than contingent obligations in respect of Letters of Credit, excluding Letters of Credit that have been cash collateralized in a manner reasonably satisfactory to the applicable Issuing Bank or with respect to which other arrangements have been made that are satisfactory to the applicable Issuing Bank) not then due and payable and as to which no claim has been made as of the time of determination).

ARTICLE VI

Waivers

Each Guarantor hereby waives diligence, promptness, presentment, demand for payment or performance and protest and notice of protest, notice of acceptance and any other

notice in respect of the Obligations or any part of them, and any defense arising by reason of any disability or other defense of the Borrower or any of its Subsidiaries or the unenforceability of the Obligations or any part thereof from any cause or the cessation from any cause of the liability of the Borrower or any of its Subsidiaries, other than any defense of payment in full in cash of the Obligations (other than indemnities and other contingent obligations (other than contingent obligations in respect of Letters of Credit, excluding Letters of Credit that have been cash collateralized in a manner reasonably satisfactory to the applicable Issuing Bank or with respect to which other arrangements have been made that are satisfactory to the applicable Issuing Bank) not then due and payable and as to which no claim has been made as of the time of determination). In connection with the foregoing, each Guarantor covenants that its obligations hereunder shall not be discharged, except in accordance with Article X or XV hereof.

ARTICLE VII

Reliance

Each Guarantor hereby assumes responsibility for keeping itself informed of the financial condition of the Borrower and any endorser and other guarantor of all or any part of the Obligations, and of all other circumstances bearing upon the risk of nonpayment of the Obligations, or any part thereof, that diligent inquiry would reveal, and each Guarantor hereby agrees that no Guarantied Party shall have any duty to advise any Guarantor of information known to it regarding such condition or any such circumstances. In the event any Guarantied Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any Guarantor, such Guarantied Party shall be under no obligation (a) to undertake any investigation not a part of its regular business routine, (b) to disclose any information that such Guarantied Party, pursuant to accepted or reasonable commercial finance or banking practices, wishes to maintain confidential or (c) to make any other or future disclosures of such information or any other information to any Guarantor.

ARTICLE VIII

Waiver of Subrogation and Contribution Rights

Until the Obligations have been paid in full in cash (other than indemnities and other contingent obligations (other than contingent obligations in respect of Letters of Credit, excluding Letters of Credit that have been cash collateralized in a manner reasonably satisfactory to the applicable Issuing Bank or with respect to which other arrangements have been made that are satisfactory to the applicable Issuing Bank) not then due and payable and as to which no claim has been made as of the time of determination) and the Commitments have expired or have been terminated, the Guarantors shall not enforce or otherwise exercise any right of subrogation to any of the rights of the Guarantied Parties or any part of them against the Borrower or any right of reimbursement, indemnity or contribution or similar right against the Borrower by reason of this Guarantee or by any payment made by any Guarantor in respect of the Obligations. No failure on the part of the Borrower or any other Guarantor or Grantor to make the payments required by Article III hereof (or any other payments required under applicable law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor with respect to its obligations hereunder, and each Guarantor and Grantor shall remain liable for the full amount of the obligations of such Guarantor hereunder.

ARTICLE IX

Default; Remedies

The obligations of each Guarantor hereunder are independent of and separate from the Obligations. Upon any Event of Default, the Administrative Agent may, at its sole election, proceed directly and at once, without notice, against any Guarantor to collect and recover the full

amount or any portion of the Obligations then due, without first proceeding against the Borrower or any other guarantor of the Obligations, or joining the Borrower or any other guarantor in any proceeding against any Guarantor.

ARTICLE X

Irrevocability

Subject to Article XV below, this Guarantee shall be irrevocable as to the Obligations (or any part thereof) until the Commitments have expired or have been terminated, the Obligations have been paid in full in cash (other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made), all Letters of Credit have expired or terminated (or have been cash collateralized in a manner reasonably satisfactory to the applicable Issuing Bank or with respect to which other arrangements have been made that are satisfactory to the applicable Issuing Bank) and all LC Disbursements have been reimbursed, at which time this Guarantee shall automatically be cancelled. Upon such cancellation and at the written request of any Guarantor or its successors or assigns, and at the cost and expense of such Guarantor or its successors or assigns, the Administrative Agent shall execute in a timely manner a satisfaction of this Guarantee and such instruments, documents or agreements as are necessary or desirable to evidence the termination of this Guarantee. Any execution and delivery of the instruments, documents and agreements by the Administrative Agent pursuant to this Article X shall be without recourse or warranty by the Administrative Agent.

ARTICLE XI

Setoff

If an Event of Default shall have occurred and be continuing, each Lender, the Swingline Lender, each Issuing Bank and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such Swingline Lender, such Issuing Bank or any such Affiliate to or for the credit or the account of any Guarantor against any of and all the Obligations held by such Lender, such Swingline Lender, such Issuing Bank or their respective Affiliates which are then due and payable, irrespective of whether or not such Lender, such Swingline Lender, such Issuing Bank or such Affiliate shall have made any demand under this Guarantee and although any of the Obligations is owed to a branch, office or Affiliate of such Lender, such Swingline Lender or such Issuing Bank different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness. The rights of each Lender, the Swingline Lender, each Issuing Bank and their respective Affiliates under this Article XI are in addition to other rights and remedies (including other rights of setoff) which such Lender, such Swingline Lender, such Issuing Bank or their respective Affiliates may have. Each Lender, the Swingline Lender and each Issuing Bank agrees to promptly notify the applicable Guarantor and the Administrative Agent after any such setoff and application by such Lender or any of its Affiliates, provided that the failure to give such notice shall not affect the validity of such setoff and application.

ARTICLE XII
No Marshalling

Each Guarantor consents and agrees that no Guarantied Party or any Person acting for or on behalf of any Guarantied Party shall be under any obligation to marshal any assets in favor of any Guarantor or against or in payment of any or all of the Obligations.

ARTICLE XIII
Representations and Warranties

Each Guarantor hereby represents and warrants that the representations and warranties as to it made by the Borrower in Article III of the Credit Agreement with respect to any Borrowing or the date of issuance, amendment, renewal or extension of any Letter of Credit, in each case on or after the date hereof, are true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date hereof, such representations and warranties shall continue to be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) as of such specified earlier date.

ARTICLE XIV
Miscellaneous

SECTION 14.01. Successors and Assigns. This Guarantee shall be binding upon each Guarantor and upon the successors and assigns of such Guarantors and shall inure to the benefit of the Guarantied Parties and their respective successors and assigns. The successors and assigns of the Guarantors and the Borrower shall include their respective receivers, trustees and debtors-in-possession.

SECTION 14.02. Enforcement; Waivers; Amendments

(a) No delay on the part of any Guarantied Party in the exercise of any right or remedy arising under this Guarantee, the Credit Agreement, any other Loan Document or otherwise with respect to all or any part of the Obligations or any other guaranty of or security for all or any part of the Obligations shall operate as a waiver thereof, and no single or partial exercise by any such Person of any such right or remedy, or any abandonment or discontinuance of steps to enforce such a right or remedy, shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies of the Guarantied Parties hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. Failure by any Guarantied Party at any time or times hereafter to require strict performance by the Borrower, any Guarantor, any other guarantor of all or any part of the Obligations or any other Person of any provision, warranty, term or condition contained in any Loan Document now or at any time hereafter executed by any such Persons and delivered to any Guarantied Party shall not waive, affect or diminish any right of any Guarantied Party at any time or times hereafter to demand strict performance thereof and such right shall not be deemed to have been waived by any act (except by a written instrument pursuant to Section 14.02(b)) or knowledge of any Guarantied Party, or its respective agents, officers or employees. No waiver of any provision of this Guarantee or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be permitted by a written instrument pursuant to Section 14.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No action by any Guarantied Party permitted hereunder

shall in any way affect or impair any Guaranteed Party's rights and remedies or the obligations of any Guarantor under this Guarantee. Any determination by a court of competent jurisdiction of the amount of any principal or interest owing by the Borrower to a Guaranteed Party shall be conclusive and binding on each Guarantor irrespective of whether such Guarantor was a party to the suit or action in which such determination was made.

(b) None of the terms or provisions of this Guarantee may be waived, amended, supplemented or modified except pursuant to an agreement in writing entered into by the Guarantors and the Administrative Agent with the consent of the Required Lenders.

SECTION 14.03. Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Guarantee shall be construed in accordance with and governed by the law of the State of New York.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Guarantee, or for recognition or enforcement of any judgment, and each party hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined solely in such New York State or, to the extent permitted by law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section is intended to waive the right of any party to remove any such action or proceeding commenced in any such New York State court to an appropriate New York Federal court to the extent the basis for such removal exists under applicable law.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guarantee in any court referred to in paragraph (b) of this Section. Each party hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party hereto hereby irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in this Guarantee will affect the right of any party to this Guarantee to serve process in any other manner permitted by law.

SECTION 14.04. Certain Terms. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in the Credit Agreement), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Guarantee in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections and Exhibits shall be construed to refer to Articles and Sections of, and Exhibits to, this Guarantee, (e) the words

“asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including intellectual property, cash, securities, accounts and contract rights, (f) with respect to the determination of any period of time, the word “from” means “from and including” and the word “to” means “to but excluding” and (g) reference to any law, rule or regulation means such as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time.

SECTION 14.05. Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 14.06. Notices. Any notice or other communication herein required or permitted shall be given as provided in Section 9.01 of the Credit Agreement and, in the case of any Guarantor, to such Guarantor in care of the Borrower. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Guarantee shall be deemed to have been given on the date of receipt.

SECTION 14.07. Severability. Wherever possible, each provision of this Guarantee shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guarantee shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Guarantee.

SECTION 14.08. Additional Guarantors. Each of the Guarantors agrees that, if, pursuant to Section 9.09 of the Credit Agreement, the Borrower desires any Subsidiary to become a Guarantor hereunder, such Subsidiary shall execute and deliver to the Administrative Agent a Guarantee Supplement in substantially the form of Exhibit A (Guarantee Supplement) attached hereto and shall thereafter become a Guarantor for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the rights, benefits and obligations of this Guarantee. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Subsidiary as a party to this Guarantee.

SECTION 14.09. Expenses; Indemnification. (a) Each Guarantor agrees to pay or reimburse the Administrative Agent and each of the other Guaranteed Parties upon demand for all out-of-pocket expenses incurred by the Administrative Agent or any other Guaranteed Party, including the fees, charges and disbursements of any counsel for the Administrative Agent or any other Guaranteed Party, in connection with the enforcement of this Guarantee against such Guarantor or the exercise or enforcement of any other right or remedy available in connection herewith or therewith.

(b) The Guarantors jointly and severally agree to indemnify and hold harmless each Guaranteed Party and the other Indemnitees as provided in Section 9.03(b) of the Credit Agreement as if each reference in such Section to “the Borrower” was a reference to “the

Guarantors” and with the same force and effect as if such Guarantors were parties to the Credit Agreement.

(c) Any amounts payable as provided in paragraphs (a) and (b) of this Section shall be additional Obligations guaranteed hereby. All amounts due under paragraph (a) or (b) of this Section shall be payable promptly after written demand therefor.

SECTION 14.10. Waiver of Consequential Damages. TO THE EXTENT PERMITTED BY APPLICABLE LAW AND WITHOUT LIMITING IN ANY WAY THE BORROWER’S AND THE GUARANTORS’ OBLIGATIONS HEREUNDER (INCLUDING THE GUARANTORS’ OBLIGATIONS SET FORTH IN SECTIONS 14.09(a) AND 14.09(b)), NO PARTY HERETO SHALL ASSERT, OR PERMIT ANY OF ITS AFFILIATES OR RELATED PARTIES TO ASSERT, AND EACH PARTY HERETO HEREBY WAIVES, ANY CLAIM AGAINST EACH OTHER SUCH PERSON (AND, IN THE CASE OF THE BORROWER OR ANY GUARANTOR, ANY GUARANTIED PARTY AND ANY OTHER INDEMNITEE), ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS GUARANTEE OR ANY OTHER LOAN DOCUMENT OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE TRANSACTIONS CONTEMPLATED HEREBY, ANY LOAN OR LETTER OF CREDIT OR THE USE OF THE PROCEEDS THEREOF.

SECTION 14.11. Entire Agreement. This Guarantee, taken together with all of the other Loan Documents executed and delivered by the Guarantors, represents the entire agreement and understanding of the parties hereto and supersedes all prior understandings, written and oral, relating to the subject matter hereof.

SECTION 14.12. Counterparts. This Guarantee may be executed in any number of separate counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed counterpart by facsimile transmission or other electronic transmission shall be effective as delivery of a manually executed counterpart.

SECTION 14.13. Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Guarantee and shall not affect the construction of, or be taken into consideration in interpreting, this Guarantee.

SECTION 14.14. Certain Acknowledgements and Agreements. Each Guarantor hereby acknowledges the provisions of Section 2.16 of the Credit Agreement and agrees to be bound by such provisions with the same force and effect, and to the same extent, as if such Guarantor was a party to the Credit Agreement.

ARTICLE XV

Termination

In addition to termination in accordance with Article X, so long as no Default has occurred and is continuing under the Loan Documents (or would result from such release), (a) if all of the capital stock of a Guarantor that is owned by the Borrower or a Subsidiary is sold or otherwise disposed of in a transaction or transactions not prohibited by the Credit Agreement, (b) if the Borrower designates an existing Guarantor as an Excluded Party under the Credit Agreement or (c) in the event that, immediately after giving effect to the release of any Guarantor hereunder, all of the Indebtedness of the Subsidiaries that are not Guarantors is

permitted under Section 6.01 of the Credit Agreement, then, in each case, promptly following the Borrower's request and at the cost and expense of the Borrower, the Administrative Agent shall execute a release of such Guarantor from this Guarantee. Any execution and delivery of any such release by the Administrative Agent shall be without recourse or warranty by the Administrative Agent.

[SIGNATURE PAGES FOLLOW]

Exhibit E – 12

above. IN WITNESS WHEREOF, this Guarantee has been duly executed by the Guarantors as of the day and year first set forth

GUARANTORS
[NAME OF GUARANTOR]

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED
as of the date first above written:

MUFG BANK, LTD.,
as Administrative Agent

By: _____
Name:
Title:

GUARANTEE SUPPLEMENT

Pursuant to this Guarantee Supplement (this "Guarantee Supplement"), the undersigned hereby agrees to be bound as a Guarantor for purposes of the Guarantee, dated as of [●] (the "Guarantee"), among certain Subsidiaries of HollyFrontier Corporation, a Delaware corporation, listed on the signature pages thereof or becoming party thereto pursuant to the terms thereof and acknowledged by MUFG Bank, Ltd., in its capacity as the Administrative Agent, and the undersigned hereby acknowledges receipt of a copy of the Guarantee. Each reference to a "Guarantor" in the Guarantee shall be deemed to include the undersigned.

The undersigned hereby represents and warrants that each of the representations and warranties contained in Article XIII of the Guarantee applicable to it is true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) on and as of the date hereof, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date hereof, such representations and warranties shall continue to be true and correct in all material respects (or, in the case of any such representations and warranties that are qualified as to materiality, the accuracy in all respects of such representations and warranties) as of such specified earlier date.

This Guarantee Supplement may be executed in any number of separate counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed counterpart by facsimile transmission or other electronic transmission shall be effective as delivery of a manually executed counterpart.

This Guarantee Supplement shall be construed in accordance with and governed by the law of the State of New York.

Capitalized terms used herein but not defined herein are used with the meanings given them in the Guarantee.

IN WITNESS WHEREOF, the undersigned has caused this Guarantee Supplement to be duly executed and delivered as of [●].

[NAME OF GUARANTOR]

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED
as of the date first above written:

MUFG BANK, LTD.,
as Administrative Agent

By: _____
Name:
Title:

**HOLLYFRONTIER CORPORATION
2020 LONG TERM INCENTIVE PLAN**

PERFORMANCE SHARE UNIT AGREEMENT

This Performance Share Unit Agreement (the “*Agreement*”) is made and entered into by and between HollyFrontier Corporation, a Delaware corporation (the “*Company*”), and you. This Agreement is entered into as of the ____ day of _____, 2021 (the “*Date of Grant*”).

WITNESSETH:

WHEREAS, the Company has adopted the Plan (as defined below) to attract, retain and motivate employees, directors and consultants;

WHEREAS, the Compensation Committee (the “*Committee*”) believes that entering into this Agreement with you is consistent with the stated purposes for which the Plan was adopted; and

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this Agreement as if fully set forth herein and the terms capitalized but not defined herein or on Appendix A attached hereto shall have the meanings set forth in the Plan.

NOW, THEREFORE, in consideration of the services rendered by you, the parties agree as follows:

1. Grant. The Company hereby grants to you as of the Date of Grant a Performance Award of ____ shares of Phantom Stock consisting of performance share units (the “*Performance Share Units*”), subject to the terms and conditions set forth in this Agreement. Depending on the Company’s performance, you may earn from zero percent (0%) to two hundred percent (200%) of the Performance Share Units, based on the Company’s performance on two measures set forth in Section 3 over a designated performance period compared to the performance of a group of peer companies selected by the Committee.

2. The Plan. The Performance Share Units granted to you by this Agreement shall be granted under HollyFrontier Corporation 2020 Long Term Incentive Plan (the “*Plan*”), and this Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan.

3. Performance Period and Measures. This Section 3 sets forth the details of the Performance Award for the “*Performance Period*,” which begins on October 1 of the calendar year of the Date of Grant (“*Year One*”) and ends on September 30 of the third calendar year following Year One (“*Year Three*”). If you are employed by the Company or its subsidiaries on December 1 of Year Three you will be entitled to a payment in Shares in the amount determined under Section 3(b) or pursuant to Section 5, as applicable, and payable at the time indicated in this Section 3. The period of time beginning on the Date of Grant and ending on December 1 of Year Three is referred to herein as the “*Service Period*.”

(a) Performance Measures. The number of Performance Share Units earned for the Performance Period is determined by comparing the Company’s performance on the two measures listed below over the Performance Period to the performance of the Peer Group over the Performance Period on the same two measures. The two performance measures are Return on Capital Employed and Total Shareholder Return.

(b) Shares Payable. The number of Shares payable is equal to the result of multiplying the total number of Performance Share Units awarded by the Performance Unit Payout Percentage ("***Earned PSUs***"). The number of Shares payable hereunder shall be paid as soon as reasonably practicable after December 1 of Year Three but in no event later than two and one-half months following the end of Year Three; provided, however, that in the event of your termination of employment with the Company or its subsidiaries pursuant to Section 5(a) or (b) the Shares shall be paid within thirty (30) days following such termination of employment. Such payment will be subject to withholding for taxes and other applicable payroll adjustments. The Committee's determination of the amount payable shall be binding upon you and your beneficiary or estate. The value of such Shares shall not bear any interest owing to the passage of time. The number of Shares of Common Stock payable will be rounded down to the nearest Share. No fractional Shares of Common Stock will be issued pursuant to this Agreement.

4. Restrictions; Forfeiture. The Performance Share Units are restricted in that they cannot be sold, transferred or otherwise alienated or hypothecated. In the event you cease to be an employee of the Company and any subsidiary, other than as provided in Section 5 below, the Performance Share Units that are not vested on the date of such cessation of employment shall be immediately forfeited.

5. Termination of Employment.

(a) In the event that your employment with the Company or its subsidiaries terminates prior to December 1 of Year Three (i) due to your death, (ii) on account of your total and permanent disability, as determined by the Committee in its sole discretion or (iii) due to your Retirement, then you shall forfeit a number of the Performance Share Units equal to the number of Performance Share Units specified in Section 1 hereof times the percentage that (A) the number of days beginning on the day on which the date of such termination occurs and ending on the last day of the Service Period, (B) bears to the total number of days in the Service Period. In the event of such forfeiture, the number of Shares payable hereunder shall be equal to a Performance Unit Payout Percentage of one hundred percent (100%) instead of the Performance Unit Payout Percentage that would otherwise be determined at the end of the Performance Period in accordance with Section 3, and such Performance Share Units will immediately become Earned PSUs and paid to you as provided in Section 3(b).

(b) In the event your employment with the Company or its subsidiaries terminates prior to December 1 of Year Three as a result of a Special Involuntary Termination (subject to Section 5(d)), the Performance Share Units will become immediately Earned PSUs assuming a Performance Unit Payout Percentage of one hundred percent (100%) instead of the Performance Unit Payout Percentage that would otherwise be determined at the end of the Performance Period in accordance with Section 3.

(c) If, prior to December 1 of Year Three you voluntarily separate from employment (other than due to your Retirement) or are terminated by action of the Company (other than a Special Involuntary Termination), including if you are terminated by the Company for Cause, all Performance Share Units awarded hereunder will be forfeited.

(d) If a Special Involuntary Termination occurs prior to the Change in Control, vesting will be suspended for 60 days and the Performance Share Units will become Earned PSUs immediately prior to the date of the Change in Control only if the Change in Control occurs within 60 days after such termination of employment. If the Change in Control does not occur during the 60-day period following such termination of employment, the Performance Share Units will become null and void and shall be immediately forfeited to the Company on the 60th day following termination of employment. If the Special Involuntary Termination occurs following the Change in Control and the Performance Share Units are assumed or are otherwise

continued following the Change in Control, then the Performance Share Units will become Earned PSUs on the date of the termination of employment; provided, however, in no event will the vesting of Performance Share Units pursuant to this Section 5(d) result in the settlement of Earned PSUs later than December 31st of the third year following the year in which the services were provided to which the Award relates.

(e) Notwithstanding any provision herein to the contrary, in the event of any inconsistency between this Section 5 and any employment, change in control or similar agreement entered into by and between you and the Company (or any subsidiary), the terms of the employment, change in control or similar agreement shall control, subject to compliance with Section 409A of the Code.

(f) For purposes of this Agreement, your employment will be deemed to terminate on the date that you cease to be actively employed by the Company (or any subsidiary) and shall not be extended by any notice period mandated or implied under local law during or for which you receive pay in lieu of notice or severance pay. The Company shall have the sole discretion to determine when you are no longer actively employed for purposes of this Agreement, without reference to any other agreement, written or oral, including your contract of employment.

6. Leave of Absence. With respect to the Performance Share Units, the Company may, in its sole discretion, determine that if you are on leave of absence for any reason you will be considered to still be in the employ of, or providing services to, the Company (or a subsidiary), provided that, subject to applicable law, your rights to the Performance Share Units, if any, during a Performance Period in which such a leave of absence occurs will be prorated to reflect the period of time during the Performance Period that you provided actual services to the Company.

7. Limited Stockholder Rights. The Performance Share Units granted pursuant to this Agreement do not and shall not entitle you to any rights of a holder of Shares, including the right to vote, prior to the date Shares are issued to you in settlement of the Performance Share Units pursuant to Section 3; provided, however that in the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, you hold Performance Share Units granted pursuant to this Agreement that have not been settled, the Company shall pay to you an amount in cash equal to the cash dividends you would have received if you were the holder of record as of such record date, of the number of Shares related to the number of Performance Share Units specified in Section 1 hereof, such payment (“*Dividend Equivalents*”) shall be made promptly following the date that the Company pays such dividend to its shareholders generally (however, in no event shall the Dividend Equivalents be paid later than thirty (30) days following the date on which the Company pays such dividend to its shareholders generally). Your rights with respect to the Performance Share Units shall remain forfeitable at all times prior to the date on which the rights become earned and settled as set forth in Section 3, as adjusted by Section 5, as applicable.

8. Adjustment in Number of Performance Share Units. The number of Performance Share Units subject to this Agreement shall be adjusted to reflect stock splits or other changes in the capital structure of the Company, all in accordance with the Plan. In the event that the outstanding Shares of the Company are exchanged for a different number or kind of shares or other securities, or if additional, new or different shares are distributed with respect to the Shares through merger, consolidation, or sale of all or substantially all of the assets of the Company, there shall be substituted for the Shares under the Performance Share Units subject to this Agreement the appropriate number and kind of shares of new or replacement securities as determined in the sole discretion of the Committee, subject to the terms and provisions of the Plan.

9. Payment of Taxes. The Company may require you to pay to the Company (or the Company's subsidiary if you are an employee of a subsidiary of the Company), an amount the Company deems necessary to satisfy its (or its subsidiary's) current or future withholding with respect to federal, state or local income or other taxes that you incur as a result of the Award. With respect to any tax withholding (and to the extent permissible pursuant to Rule 16b-3 under the Exchange Act, if applicable), you may (a) direct the Company to withhold from the Shares to be issued to you under this Agreement the number of Shares necessary to satisfy the Company's withholding of such taxes, which determination will be based on the Shares' Fair Market Value at the time such determination is made; (b) deliver to the Company Shares sufficient to satisfy the Company's tax withholding, based on the Shares' Fair Market Value at the time such determination is made; or (c) deliver cash to the Company sufficient to satisfy its tax withholding obligations. If you desire to elect to use the stock withholding option described in subparagraph (a), you must make the election at the time and in the manner the Company prescribes and the maximum number of Shares that may be so withheld or surrendered shall be a number of Shares that have an aggregate Fair Market Value on the date of withholding or repurchase of up to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for you in your relevant federal, state, foreign and/or local tax jurisdiction, including payroll taxes, that may be utilized without creating adverse accounting treatment with respect to the Award. The Company, in its discretion, may deny your request to satisfy its tax withholding obligations using a method described under subparagraph (a), (b) or (c) and require an alternative method of withholding. In the event the Company determines that the aggregate Fair Market Value of the Shares withheld as payment of any tax withholding obligation is insufficient to discharge that tax withholding obligation, then you must pay to the Company, in cash, the amount of that deficiency immediately upon the Company's request.

10. Compliance with Securities and Other Applicable Laws. Notwithstanding any provision of this Agreement to the contrary, the issuance of Shares will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Shares may then be listed. No Shares will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. In addition, Shares will not be issued hereunder unless a registration statement under the Securities Act, is at the time of issuance in effect with respect to the Shares issued or in the opinion of legal counsel to the Company, the Shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any Shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make Shares available for issuance.

11. Right of the Company and subsidiaries to Terminate Services. Nothing in this Agreement confers upon you the right to continue in the employ of or performing services for the Company or any subsidiary, or interfere in any way with the rights of the Company or any subsidiary to terminate your employment or service relationship at any time subject to applicable law and the terms of any applicable employment agreement.

12. Furnish Information. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.

13. Remedies. The Company shall be entitled to recover from you reasonable attorneys' fees incurred in connection with the successful enforcement of the terms and provisions of this Agreement whether by an action to enforce specific performance or for damages for its breach or otherwise to the extent allowed by applicable law.

14. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the Performance Share Units granted hereunder.

15. Execution of Receipts and Releases. Any payment of cash or any issuance or transfer of Shares or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, will, to the extent thereof, be in full satisfaction of all claims of such Persons hereunder. In addition, the Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a general release of all claims in favor of the Company, any Affiliate and the employees, officers, stockholders or board members of the foregoing in such form as the Company may determine. In the event the period you are given to review, execute and revoke a release provided pursuant to this Section 15 spans two calendar years, any payment to you pursuant to this Agreement will be made in the second calendar year.

16. Clawback. This Agreement is subject to any written clawback policies that the Company, with the approval of the Board or the Committee, may adopt to the extent allowed by applicable law. Any such policy may subject your Performance Share Units and amounts paid or realized with respect to the Performance Share Units under this Agreement to reduction, cancellation, forfeiture or recoupment if certain specified events or wrongful conduct occur, including but not limited to an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy adopted by the Company, including any policy to conform to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and rules promulgated thereunder by the Securities and Exchange Commission and that the Company determines should apply to this Agreement.

17. No Guarantee of Interests. Neither the Board nor the Company guarantee the Shares from loss or depreciation.

18. Company Records. Records of the Company or its subsidiaries regarding your period of employment or service, termination of service and/or employment and the reason(s) therefor, leaves of absence, re-employment, and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.

19. Notice. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by mail and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed or, if earlier, the date it is sent via certified United States mail.

20. Waiver of Notice. Any person entitled to notice hereunder may waive such notice in writing.

21. Certain Covenants.

(a) Protection of Confidential Information. You acknowledge that in the course of your employment with the Company and its subsidiaries, you have obtained and will continue to obtain confidential, proprietary and/or trade secret information of the Company, relating to, among other things, (i) programs, strategies, information or materials related to the business, services, manner of operation and activities of the Company, (ii) customers or prospects of the Company, (iii) computer hardware or software used in the course of the Company business, and (iv) marketing strategies or other activities of the Company from or on behalf of any of its clients, (hereinafter collectively referred to as “**Confidential Information**”); provided, however, that, for purposes of this Agreement, the term Confidential Information shall not include any information that is known generally to the public or accessible to a third party on an unrestricted basis. You recognize that such Confidential Information has been developed by the Company at great expense; is a valuable, special and unique asset of the Company which it uses in its business to obtain competitive advantage over its competitors; is and shall be proprietary to the Company; is and shall remain the exclusive property of the Company; and, is not to be transmitted to any other person, entity or thing. Accordingly, as a material inducement to the Company to enter into this Agreement with you and in partial consideration for the granting of the Award, you hereby:

(i) warrant and represent that you have not disclosed, copied, disseminated, shared or transmitted any Confidential Information to any person, firm, corporation or entity for any reason or purpose whatsoever, except in the course of carrying out your duties and responsibilities of employment with the Company and its subsidiaries;

(ii) agree not to so disclose, copy, disseminate, share or transmit any Confidential Information in the future;

(iii) agree not to make use of any Confidential Information for your own purposes or for the benefit of any person, firm, corporation or other entity, except that, in the course of carrying out the duties and responsibilities of your employment, you may use Confidential Information for the benefit of any Affiliate of the Company;

(iv) warrant and represent that all Confidential Information in your possession, custody or control that is or was a property of the Company has been or shall be returned to the Company by or on the date of your termination; and

(v) agree that you will not reveal, or cause to be revealed, this Agreement or its terms to any third party (other than your attorney, tax advisor, or spouse on the condition that they also not reveal this Agreement or its terms to any other person), except as required by law.

Your covenants in this Section 21(a) are in addition to, and do not supersede, your obligations under any confidentiality, invention or trade secret agreements executed by you, or any laws protecting the Confidential Information.

(b) Non-Solicitation. You agree that during the term of your employment with the Company or its subsidiaries and for a period of one year following your termination of employment with the Company and its subsidiaries, you will not, directly or indirectly, for your benefit or for the benefit of others, solicit any employee or service provider of the Company or its Affiliates to terminate his or her employment or his, her or its service relationship with the Company or its Affiliates; provided, however, that (y) after the termination of your employment for any reason, such employees and service providers shall only include such employees and service providers that you directly worked with in the twelve months preceding the date of termination of your employment, and (z) it will not constitute a violation of this Section 21(b) if an employee or service provider of the Company or its Affiliates accepts employment or a

service relationship with a Person not affiliated with the Company or its Affiliates (i) pursuant to a general solicitation advertising the position, (ii) as a result of communications initiated by the employee or service provider of the Company or its Affiliates (and not in response to any solicitation by you) or (iii) where the employment or service relationship with the Company or its Affiliates with respect to such person was terminated more than six months prior to any action by you that would otherwise be a violation of this Section 21(b).

(c) Extent of Restrictions. You acknowledge that the restrictions contained in this Section 21 correctly set forth the understanding of the parties at the time this Agreement is entered into, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation will cause substantial injury to the Company. In the event of any such violation, the Company shall be entitled, in addition to any other remedy, to preliminary or permanent injunctive relief. You waive, to the maximum extent permissible by law, any defenses or other objections to such remedies or the enforceability of this Section 21. To the maximum extent permissible by law, if any court having jurisdiction shall find that any part of the restrictions set forth this Section 21 are unreasonable in any respect, it is the intent of the parties that the restrictions set forth herein shall not be terminated, but that the restrictions set forth in this Section 21 shall remain in full force and effect to the extent (as to time periods and other relevant factors) that the court shall find reasonable.

(d) Limitations. In the event any breach of the covenants set forth in this Section 21 comes to the attention of the Company, this Award and the Performance Share Units granted hereunder that have not at such time been settled shall be immediately forfeited to the Company and the Company it shall take into consideration such breach in determining whether to recommend the grant of any future similar award to you, as a factor weighing against the advisability of granting any such future award to you. However, nothing in this Agreement will prevent you from: (i) making a good faith report of possible violations of applicable law to any governmental agency or entity or (ii) making disclosures that are protected under the whistleblower provisions of applicable law. For the avoidance of doubt, nothing herein shall prevent you from making a disclosure that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, an individual who files a lawsuit for retaliation by an employer of reporting a suspected violation of law may make disclosures without violating this Section 21 to the attorney of the individual and use such information in the court proceeding.

22. Section 409A. It is intended that the Performance Share Units awarded hereunder shall comply with the requirements of Section 409A of the Code (and any regulations and guidelines issued thereunder), and this Agreement shall be interpreted on a basis consistent with such intent. Payments shall only be made on an event and in a manner permitted by Section 409A of the Code. Each payment under this Agreement is considered a separate payment for purposes of Section 409A of the Code. This Agreement may be amended without your consent in any respect deemed by the Committee to be necessary in order to preserve compliance with Section 409A of the Code. All payments to be made upon a termination of employment under this Agreement may only be made upon a "separation from service" under Section 409A of the Code. In no event may you, directly or indirectly, designate the calendar year of a payment. Notwithstanding anything in this Agreement to the contrary, if you are a "specified employee" under Section 409A of the Code at the time of separation from service and if payment of any amount under this Agreement is required to be delayed for a period of six months after the separation from service pursuant to Section 409A of the Code, payment of such amount shall be delayed as required by Section 409A of the Code, and the accumulated postponed amount shall be paid in a lump sum payment within 10 days after the end of the six-month period. If you die during the postponement period prior to the payment of postponed amount, the accumulated

postponed amount shall be paid to the personal representative of your estate within 60 days after the date of your death.

23. Successors. This Agreement shall be binding upon you, your legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

24. Severability. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

25. Company Action. Any action required of the Company shall be by resolution of the Board or by a person or entity authorized to act by resolution of the Board.

26. Headings. The titles and headings of Sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

27. Governing Law. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of the State of Texas, without giving any effect to any conflict of law provisions thereof, except to the extent Texas state law is preempted by federal law. The obligation of the Company to sell and deliver Shares hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Shares.

28. Consent to Texas Jurisdiction and Venue. You hereby consent and agree that state courts located in Dallas, Texas and the United States District Court for the Northern District of Texas each shall have personal jurisdiction and proper venue with respect to any dispute between you and the Company arising in connection with the Performance Share Units or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to any such jurisdiction as an inconvenient forum.

29. Amendment. This Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with your consent.

30. Nontransferability of Agreement. This Agreement and all rights under this Agreement shall not be transferable by you during your life other than by will or pursuant to applicable laws of descent and distribution. Any of your rights and privileges in connection herewith shall not be transferred, assigned, pledged or hypothecated by you or by any other person or persons, in any way, whether by operation of law, or otherwise, and shall not be subject to execution, attachment, garnishment or similar process. In the event of any such occurrence, this Agreement shall automatically be terminated and shall thereafter be null and void. Notwithstanding the foregoing, all or some of the Performance Share Units or rights under this Agreement may be transferred to a spouse pursuant to a domestic relations order issued by a court of competent jurisdiction.

HollyFrontier Corporation

Michael C. Jennings, Chief Executive Officer

Appendix A

Defined Terms

For purposes of the Agreement, the following terms shall have the meanings assigned below:

“**Adverse Change**” means (i) a change in the city in which you are required to work regularly, (ii) a substantial increase in travel requirements of employment, (iii) a substantial reduction in duties of the type previously performed by you, or (iv) a significant reduction in your compensation or benefits (other than bonuses and other discretionary items of compensation) that does not apply generally to employees of the Company or its successor.

“**Affiliate**” has the meaning provided in Rule 12b-2 under the Exchange Act.

“**Beneficial Owner**” has the meaning provided in Rule 13d-3 under the Exchange Act.

“**Cause**” means:

- (i) An act or acts of dishonesty on your part constituting a felony or serious misdemeanor and resulting or intended to result directly in gain or personal enrichment at the expense of the Company or any subsidiary;
- (ii) Gross or willful and wanton negligence in the performance of your material and substantial duties of employment with the Company and its subsidiaries; or
- (iii) Your conviction of a felony involving moral turpitude.

The existence of Cause shall be determined by the Committee, in its sole and absolute discretion.

“**Change in Control**” means the occurrence of any of the following after the Date of Grant:

(i) Any Person, other than (A) the Company or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than 40% of the combined voting power of the Company’s then outstanding securities, or more than 40% of the then outstanding common stock of the Company, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (iii)(A) below.

(ii) The individuals who as of the Date of Grant constitute the Board and any New Director cease for any reason to constitute a majority of the Board.

(iii) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, except if:

- (A) the merger or consolidation results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by

remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(B) the merger or consolidation is effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly, or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing more than 40% of the combined voting power of the Company's then outstanding securities.

(iv) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity at least 60% of the combined voting power of the voting securities of which is owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

"Division" means each of the refining, midstream or lubricants & specialties segments of the Company, or any other segment or significant line of business identified by the Committee as a "Division."

"New Director" means an individual whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the Date of Grant or whose election or nomination for election was previously so approved or recommended. However, "New Director" shall not include a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation relating to the election of directors of the Company.

"Peer Group" means CVR Energy Inc., Delek U.S. Holdings, Inc., Marathon Petroleum Corporation, PBF Energy Corporation, Phillips 66 and Valero Energy Corporation. If a member of the Peer Group ceases to be a public company during the Performance Period (whether by merger, consolidation, liquidation or otherwise) or it fails to file financial statements with the SEC in a timely manner, it shall be treated as if it had not been a Peer Group member for the entire Performance Period.

"Performance Unit Payout Percentage" means the percentile obtained by dividing the sum of (1) the ROCE Performance Percentage and (2) the TSR Performance Percentage, by two.

"Person" has the meaning given in Section 3(a)(9) of the Exchange Act as modified and used in Sections 13(d) and 14(d) of the Exchange Act.

"Retirement" means your termination of employment other than for Cause on or after the date on which you: (i) have achieved ten years of continuous service with the Company and its subsidiaries, and (ii) are age sixty (60).

"Return on Capital Employed," or ROCE, is defined as (i) operating income before depreciation and amortization divided by (ii) the sum of shareholders' equity, plus minority interest, plus debt, less goodwill and intangible assets, less cash and marketable securities at the

beginning of the Performance Period; provided, that such metric will be calculated to exclude (a) any gains or losses attributable to FIFO inventory valuation (including lower of cost or market adjustments), (b) the effects of impairment expense related to intangible assets, including goodwill, and (c) non-cash asset writedowns; provided, further, the Committee may exclude the impact of any of the following events or occurrences (with respect to the Company or any member of the Peer Group) which the Committee determines should appropriately be excluded: (A) asset write-downs; (B) litigation, claims, judgments or settlements; (C) the effect of changes in tax law or other such laws or regulations affecting reported results; (D) accruals for reorganization and restructuring programs; (E) any extraordinary, unusual or nonrecurring items as described in the Accounting Standards Codification Topic 225, as the same may be amended or superseded from time to time; (F) any change in accounting principles as defined in the Accounting Standards Codification Topic 250, as the same may be amended or superseded from time to time; (G) any loss from a discontinued operation as described in the Accounting Standards Codification Topic 360, as the same may be amended or superseded from time to time; (H) adjustments to ROCE of the Company or any member (or multiple members) of the Peer Group to reflect mergers, acquisitions, purchases or similar transactions as necessary to prevent the increase or decrease of the ROCE of the Company or member of the Peer Group related to the merger, acquisition, purchase or similar transaction; (I) third party expenses associated with acquisitions; and (J) to the extent set forth with reasonable particularity in connection with the establishment of performance goals, any other extraordinary events or occurrences identified by the Committee.

“**ROCE Performance Percentage**” means the percentage set forth in the table below determined in accordance with the percentile ranking of the Return on Capital Employed of the Company compared to the ROCE of each entity in the Peer Group achieved during the Performance Period:

Ranking of the Company within Peer Group	ROCE Performance Percentage
90 th Percentile or Better	Maximum (200% of Target)
<90 th Percentile But Better than 50 th Percentile	Interpolate between 100% and 200%
50 th Percentile	Target (100%)
<50 th Percentile But Better than 25 th Percentile	Interpolate between 25% and 100%
25 th Percentile	25% of Target (Minimum)
<25 th Percentile	Zero

“**Sale of a Division**” means a sale or disposition of a substantial portion of a Division (other than a sale or disposition to the Company or any of its subsidiaries) or any other transaction resulting in the loss of control by the Company and its subsidiaries over a substantial portion of a Division (including a public offering of a Division where the Company does not control the Division following such offering), in each case, as determined by the Committee in its sole discretion.

“**SEC**” means the Securities and Exchange Commission.

“**Special Involuntary Termination**” means (i) the occurrence of (A) or (B) below within 60 days prior to, or at any time after, a Change in Control, where (A) is termination of your employment with the Company (including subsidiaries of the Company) by the Company (or any subsidiary) for any reason other than Cause and (B) is your resignation from employment with the Company (including subsidiaries of the Company) within 90 days after an Adverse Change by the Company (including subsidiaries of the Company) in the terms of your employment or (ii) the occurrence of (A) or (B) below within 60 days prior to, or within 90 days after, a Sale of a

Division, where more than 50% of your full-time service to the Company is attributable to services to the Division being sold, as determined by the Company in its sole discretion, and provided that the purchaser in any Sale of a Division has not agreed to assume this Award or to substitute a similar award under the purchaser's equity compensation plan for your Award and where (A) is termination of your employment with the Company (including subsidiaries of the Company) by the Company (or any subsidiary) for any reason other than Cause and (B) is your resignation from employment with the Company (including subsidiaries of the Company) within 90 days after an Adverse Change by the Company (including subsidiaries of the Company) in the terms of your employment.

“**Total Shareholder Return**” or TSR, means (A) the sum of (1) share price appreciation (calculated as the closing share price of the Common Stock for the last business day of the Performance Period less the closing share price of the Common Stock for the first business day of the Performance Period), plus (2) cumulative dividends during the Performance Period, plus (3) any additional value or compensation received by shareholders such as stock received from spinoffs, divided by (B) the closing share price of the Common Stock on the first business day of the Performance Period, adjusted to take into account any stock splits, changes in capitalization or other similar events. Such determinations and adjustments shall be made by the Committee in its discretion.

“**TSR Performance Percentage**” means the percentage set forth in the table below determined in accordance with the percentile ranking of the Total Shareholder Return of the Company compared to the TSR of each entity in the Peer Group achieved during the Performance Period:

Ranking of the Company within Peer Group	TSR Performance Percentage
90 th Percentile or Better	Maximum (200% of Target)
<90 th Percentile But Better than 50 th Percentile	Interpolate between 100% and 200%
50 th Percentile	Target (100%)
<50 th Percentile But Better than 25 th Percentile	Interpolate between 25% and 100%
25 th Percentile	25% of Target (Minimum)
<25 th Percentile	Zero

HOLLYFRONTIER CORPORATION
2020 LONG TERM INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
(Non-Employee Director Award)

This Agreement is made and entered into as of the Date of Grant set forth in the Notice of Grant of Restricted Stock Units (“*Notice of Grant*”) by and between HollyFrontier Corporation, a Delaware corporation (the “*Company*”), and you;

WHEREAS, the Company, as part of your compensation for service as a member of the Company’s board of directors (the “*Board*”) and in order to induce you to materially contribute to the success of the Company, agrees to grant you this restricted stock unit award;

WHEREAS, the Company adopted the Plan (as defined in the Notice of Grant) under which the Company is authorized to grant stock units and phantom stock awards, as applicable (in each case, herein referred to as restricted stock units) to certain employees, directors and other service providers of the Company;

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this Restricted Stock Unit Agreement (Non-Employee Director Award) (“*Agreement*”) as if fully set forth herein and the terms capitalized but not defined herein shall have the meanings set forth in the Plan; and

WHEREAS, you desire to accept the restricted stock unit award made pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other valuable consideration hereinafter set forth, the parties agree as follows:

1. **The Grant**. Subject to the conditions set forth below, the Company hereby grants you effective as of the Date of Grant set forth in the Notice of Grant, as a matter of separate inducement but not in lieu of any cash or other compensation for your services for the Company, an award (the “*Award*”) consisting of the aggregate number of Shares set forth in the Notice of Grant in accordance with the terms and conditions set forth herein, in the Notice of Grant and in the Plan, plus the additional rights to receive possible dividend equivalents, in accordance with the terms and conditions set forth herein.

2. **No Shareholder Rights**. The Restricted Stock Units (“*RSUs*”) granted pursuant to this Agreement do not and shall not entitle you to any rights of a holder of Shares prior to the date Shares are issued to you in settlement of the Award.

3. **Dividend Equivalents**. In the event that the Company declares and pays a dividend in respect of its outstanding Shares on or after the Date of Grant and, on the record date for such dividend, you hold RSUs granted pursuant to this Agreement that have not been settled, the Company shall pay to you an amount in cash equal to the cash dividends you would have received if you were the holder of record as of such record date, of the number of Shares related to the portion of your RSUs that have not been settled as of such record date, such payment (“*Dividend Equivalents*”) to be made on or promptly following the date that the Company pays such dividend (however, in no event shall the Dividend Equivalents be paid later than 30 days following the date on which the Company pays such dividend to its shareholders generally).

4. Restrictions; Forfeiture. The RSUs are restricted in that they cannot be sold, transferred or otherwise alienated or hypothecated until Shares related to such RSUs are issued pursuant to Section 6 following the removal or expiration of the restrictions as contemplated in Section 5 of this Agreement and as described in the Notice of Grant. In the event you cease to serve as a member of the Board, other than as a result of death, Disability, or Retirement, the RSUs that are not vested on the date of such cessation of service shall be immediately forfeited unless the Committee, in its sole discretion, otherwise elects to accelerate the vesting of such RSUs.

5. Expiration of Restrictions and Risk of Forfeiture. The restrictions on the RSUs granted pursuant to this Agreement will expire and the RSUs will become nonforfeitable as set forth in the Notice of Grant, provided that you remain a member of the Board until the applicable dates and times set forth therein. RSUs that have become vested and non-forfeitable as provided in this Agreement are referred to herein as “Vested.”

6. Issuance of Stock. Shares shall be issued to you in settlement of your Vested RSUs within 30 days following the date upon which such RSUs become Vested in accordance with the Agreement. At the time of settlement, the Company shall cause to be issued Shares registered in your name in payment of the Award. The Company shall evidence the Shares to be issued in payment of the RSUs in the manner it deems appropriate. The value of any fractional RSU shall be rounded down at the time Shares are issued to you. No fractional Shares, nor the cash value of any fractional Shares, will be issuable or payable to you pursuant to this Agreement. The value of Shares shall not bear any interest owing to the passage of time. Neither this Section 6 nor any action taken pursuant to or in accordance with this Section 6 shall be construed to create a trust or a funded or secured obligation of any kind.

7. Compliance with Securities and Other Applicable Laws. Notwithstanding any provision of this Agreement to the contrary, the issuance of Shares will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Shares may then be listed. No Shares will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. In addition, Shares will not be issued hereunder unless a registration statement under the Securities Act is, at the time of issuance, in effect with respect to the Shares issued or in the opinion of legal counsel to the Company, the Shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company’s legal counsel to be necessary to the lawful issuance and sale of any Shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make Shares available for issuance.

8. Legends. The Company may at any time place legends referencing any restrictions imposed on the Shares pursuant to Sections 4 and 7 of this Agreement on all certificates representing Shares issued with respect to this Award.

9. Continuation as a Director. Nothing in this Agreement confers upon you the right to continue to serve as a member of the Board.

10. Furnish Information. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.

11. Remedies. The parties to this Agreement shall be entitled to recover from each other reasonable attorneys' fees incurred in connection with the successful enforcement of the terms and provisions of this Agreement whether by an action to enforce specific performance or for damages for its breach or otherwise.

12. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the RSUs granted hereunder.

13. Execution of Receipts and Releases. Any payment of cash or any issuance or transfer of Shares or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, will, to the extent thereof, be in full satisfaction of all claims of such Persons hereunder. In addition, the Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a general release of all claims in favor of the Company, any Affiliate and the employees, officers, stockholders or board members of the foregoing in such form as the Company may determine. In the event the period you are given to review, execute and revoke a release provided pursuant to this Section 13 spans two calendar years, any payment to you pursuant to this Agreement will be made in the second calendar year.

14. No Guarantee of Interests. Neither the Board nor the Company guarantee the Shares from loss or depreciation.

15. Company Records. Records of the Company or its subsidiaries regarding your period of service, termination of service and the reason(s) therefor, and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.

16. Notice. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by mail and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed or, if earlier, the date it is sent via certified United States mail.

17. Waiver of Notice. Any person entitled to notice hereunder may waive such notice in writing.

18. Information Confidential. As partial consideration for the granting of the Award hereunder, you hereby agree to keep confidential all information and knowledge, except that which has been disclosed in any public filings required by law, that you have relating to the terms and conditions of this Agreement; provided, however, that such information may be disclosed as required by law and may be given in confidence to your spouse and tax and financial advisors. In the event any breach of this promise comes to the attention of the Company, it shall take into consideration that breach in determining whether to recommend the grant of any future similar award to you, as a factor weighing against the advisability of granting any such future award to you. Nothing in this Agreement will prevent you from: (a) making a good faith report of possible violations of applicable law to any governmental agency or entity or (b) making disclosures that are protected under the whistleblower provisions of applicable law. For the

avoidance of doubt, nothing herein shall prevent you from making a disclosure that: (i) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, an individual who files a lawsuit for retaliation by an employer of reporting a suspected violation of law may make disclosures without violating this Section 18 to the attorney of the individual and use such information in the court proceeding.

19. Section 409A. This Agreement is not intended to constitute a deferral of compensation within the meaning of Section 409A of the Code and shall be construed and interpreted in accordance with such intent. Payment under this Agreement shall be made in a manner that will be exempt from or, notwithstanding the preceding sentence, comply with Section 409A of the Code, including regulations or other guidance issued with respect thereto, except as otherwise determined by the Committee. The applicable provisions of Section 409A of the Code are hereby incorporated by reference and shall control over any contrary provisions herein that conflict therewith.

20. Successors. This Agreement shall be binding upon you, your legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

21. Severability. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

22. Company Action. Any action required of the Company shall be by resolution of the Board or by a person or entity authorized to act by resolution of the Board.

23. Headings. The titles and headings of Sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

24. Governing Law. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of the State of Texas, without giving any effect to any conflict of law provisions thereof, except to the extent Texas state law is preempted by federal law. The obligation of the Company to sell and deliver Shares hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Shares.

25. Consent to Texas Jurisdiction and Venue. You hereby consent and agree that state courts located in Dallas County, Texas and the United States District Court for the Northern District of Texas each shall have personal jurisdiction and proper venue with respect to any dispute between you and the Company arising in connection with the RSUs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to such jurisdiction as an inconvenient forum.

26. Amendment. This Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with your consent.

27. The Plan. This Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan.

28. Defined Terms. For purposes of this Agreement, the following terms shall have the meanings assigned below:

(a) “**Affiliate**” has the meaning provided in Rule 12b-2 under the Exchange Act.

(b) “**Beneficial Owner**” has the meaning provided in Rule 13d-3 under the Exchange Act.

(c) “**Change in Control**” means the occurrence of any of the following after the Date of Grant:

(i) Any Person, other than (A) the Company or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than 40% of the combined voting power of the Company’s then outstanding securities, or more than 40% of the then outstanding common stock of the Company, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (a)(iii)(1) below.

(ii) The individuals who as of the Date of Grant constitute the Board and any New Director cease for any reason to constitute a majority of the Board.

(iii) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, except if:

(1) the merger or consolidation results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(2) the merger or consolidation is effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly, or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing more than 40% of the combined voting power of the Company’s then outstanding securities.

(iv) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company’s assets, other than a sale or disposition by the Company of all or substantially all of the Company’s assets to an entity at least 60% of the

combined voting power of the voting securities of which is owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

(d) “**Disability**” means you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

(e) “**New Director**” means an individual whose election by the Board or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the Date of Grant or whose election or nomination for election was previously so approved or recommended. However, “New Director” shall not include a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation relating to the election of directors of the Company.

(f) “**Person**” has the meaning given in Section 3(a)(9) of the Exchange Act as modified and used in Sections 13(d) and 14(d) of the Exchange Act.

(g) “**Retirement**” means a Separation from Service with Committee approval following your attainment of age 55.

(h) “**Separation from Service**” means a “separation from service” within the meaning of Treasury Regulation § 1.409A-1(h).

HOLLYFRONTIER CORPORATION
2020 LONG TERM INCENTIVE PLAN
NOTICE OF GRANT OF RESTRICTED STOCK UNITS
(Non-Employee Director Award)

Pursuant to the terms and conditions of the HollyFrontier Corporation 2020 Long Term Incentive Plan (the “**Plan**”), and the associated Restricted Stock Unit Agreement (Non-Employee Director Award) which has been made separately available to you (the “**Agreement**”), you are hereby granted an award to receive the number of Restricted Stock Units (“**RSUs**”) set forth below, whereby each RSU represents the right to receive one Share, plus rights to certain dividend equivalents described in Section 3 of the Agreement, under the terms and conditions set forth below, in the Agreement, and in the Plan. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan or the Agreement. You may obtain a copy of the Plan and a copy of the prospectus related to the Shares by following the instructions attached as Appendix A. Additionally, you may request a copy of the Plan or the prospectus by contacting Cara Whitesel at Cara.Whitesel@hollyfrontier.com or 214.954.6530.

Grantee: _____

Date of Grant: _____, 2021 (“**Date of Grant**”)

Number of Restricted Stock Units: _____

Vesting Schedule: The RSUs granted pursuant to the Agreement will become vested and be nonforfeitable as of December 1, 2022; provided, that, you continue to serve as a member of the Board to such date. Shares will be issued with respect to the RSUs as set forth in Section 6 of the Agreement (which Shares when issued will be transferable and nonforfeitable). All of the RSUs awarded to you pursuant to this Notice of Grant of Restricted Stock Units shall become fully vested upon (a) your death (b) your Retirement in 2022, (c) your Disability, or (d) the occurrence of a Change in Control, provided you are then serving as a member of the Board immediately prior to the Change in Control.

The Shares you receive upon settlement will be taxable to you in an amount equal to the closing price of the Shares on the date of settlement (or, if such date is not a business day, the last day preceding such day). By receipt of the RSUs you acknowledge and agree that (a) you are not relying on any written or oral statement or representation by the Company, its affiliates, or any of their respective employees, directors, officers, attorneys or agents (collectively, the “**Company Parties**”) regarding the tax effects associated with this Notice of Grant of Restricted Stock Units and the Agreement and your receipt, holding and vesting of the RSUs, (b) in accepting the RSUs you are relying on your own judgment and the judgment of the professionals of your choice with whom you have consulted, and (c) a copy of the Agreement and the Plan has been made available to you. In addition, you consent to receive documents from the Company and any plan administrator by means of electronic delivery, provided that such delivery complies with applicable law, including, without limitation, documents pursuant or relating to any equity award granted to you under the Plan or any other current or future equity or other benefit plan of the Company (the “**Company’s Equity Plans**”). This consent shall be effective for the entire time that you are a participant in a Company Equity Plan. By receiving the RSUs you hereby release, acquit and forever discharge the Company Parties from all actions, causes of actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever,

known or unknown, on account of, arising out of, or in any way related to the tax effects associated with this Notice of Grant of Restricted Stock Unit and the Agreement and your receipt, holding and the vesting of the RSUs.

HollyFrontier Corporation

Michael C. Jennings, Chief Executive Officer

Appendix A

HOLLYFRONTIER CORPORATION
2020 LONG TERM INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
(U.S.)

This Agreement is made and entered into as of the Date of Grant set forth in the Notice of Grant of Restricted Stock Units (“*Notice of Grant*”) by and between HollyFrontier Corporation, a Delaware corporation (the “*Company*”), and you;

WHEREAS, the Company, as part of your compensation for services to the Company and its subsidiaries and in order to induce you to materially contribute to the success of the Company, agrees to grant you this restricted stock unit award;

WHEREAS, the Company adopted the Plan (as defined in the Notice of Grant) under which the Company is authorized to grant stock units and phantom stock awards, as applicable (in each case, herein referred to as restricted stock units) to certain employees, directors and other service providers of the Company and its subsidiaries;

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this Restricted Stock Unit Agreement (U.S.) (“*Agreement*”) as if fully set forth herein and the terms capitalized but not defined herein shall have the meanings set forth in the Plan; and

WHEREAS, you desire to accept the restricted stock unit award made pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other valuable consideration hereinafter set forth, the parties hereto agree as follows:

1. **The Grant.** Subject to the conditions set forth below, the Company hereby grants you effective as of the Date of Grant set forth in the Notice of Grant, as a matter of separate inducement but not in lieu of any cash or other compensation for your services for the Company (or any subsidiary), an award (the “*Award*”) covering the aggregate number of Shares set forth in the Notice of Grant in accordance with the terms and conditions set forth herein, in the Notice of Grant and in the Plan, plus the additional rights to receive possible dividend equivalents, in accordance with the terms and conditions set forth herein. The period of time beginning on the Date of Grant and ending on December 1, 2024 is referred to herein as the “*Service Period*.”

2. **No Shareholder Rights.** The Restricted Stock Units (“*RSUs*”) granted pursuant to this Agreement do not and shall not entitle you to any rights of a holder of Shares prior to the date Shares are issued to you in settlement of the Award.

3. **Dividend Equivalents.** In the event that the Company declares and pays a dividend in respect of its outstanding Shares on or after the Date of Grant and, on the record date for such dividend, you hold RSUs granted pursuant to this Agreement that have not been settled, the Company shall pay to you an amount in cash equal to the cash dividends you would have received if you were the holder of record as of such record date, of the number of Shares related to the portion of your RSUs that have not been settled as of such record date, such payment (“*Dividend Equivalents*”) to be made on or promptly following the date that the Company pays such dividend (however, in no event shall the Dividend Equivalents be paid later than 30 days following the date on which the Company pays such dividend to its shareholders generally).

4. Restrictions; Forfeiture. The RSUs are restricted in that they cannot be sold, transferred or otherwise alienated or hypothecated until Shares related to such RSUs are issued pursuant to Section 8 following the removal or expiration of the restrictions as contemplated in Section 5 (and Section 6, if applicable) of this Agreement and as described in the Notice of Grant. In the event you cease to be an employee of the Company and any subsidiary, other than as provided in Section 6 below, or in the event that you violate the covenants set forth in Section 22 of this Agreement, the RSUs that are not vested on the date of such cessation of employment shall be immediately forfeited.

5. Expiration of Restrictions and Risk of Forfeiture. The restrictions on the RSUs granted pursuant to this Agreement will expire and the RSUs will become nonforfeitable as set forth in the Notice of Grant, provided that you remain an employee of the Company and its subsidiaries until the applicable dates and times set forth therein. RSUs that have become vested and nonforfeitable as provided in this Agreement are referred to herein as “*Vested*.”

6. Termination of Employment.

(a) Termination Generally. Subject to subsections (b), (c), and (d) below, if your employment relationship with the Company and its subsidiaries is terminated for any reason (including if you voluntarily separate from employment (other than due to your Retirement) or are terminated by action of the Company (including termination for Cause but other than a Special Involuntary Termination)), then those RSUs that have not become Vested as of the date of termination shall become null and void and those RSUs shall be forfeited to the Company. The RSUs that are Vested as of the date of such termination shall not be forfeited to the Company and will be settled in accordance with Section 8.

(b) Death, Disability or Retirement. In the event of termination of your employment due to your (i) death, (ii) total and permanent disability, as determined by the Committee in its sole discretion, or (iii) Retirement, in each case, before all the RSUs granted pursuant to this Agreement have become Vested, you will forfeit a number of RSUs equal to the number of RSUs specified in the Notice of Grant times the percentage that (A) the number of days beginning on the day on which the termination due to death, disability or Retirement occurs and ending on the last day of the Service Period, (B) bears to the total number of days in the Service Period, and any remaining RSUs that are not vested will become Vested upon such termination; provided, however, that any fractional RSUs will become null and void and automatically forfeited.

(c) Special Involuntary Termination. In the event of a Special Involuntary Termination, all of the RSUs granted pursuant to this Agreement will become Vested. If a Special Involuntary Termination occurs prior to the Change in Control, the vesting will be suspended for 60 days and the RSUs will become Vested immediately prior to the date of the Change in Control only if the Change in Control occurs within 60 days after such termination of employment. If the Change in Control does not occur during the 60-day period following such termination of employment, the RSUs will become null and void and shall be immediately forfeited to the Company on the 60th day following termination of employment. If the Special Involuntary Termination occurs following the Change in Control and the RSUs are assumed or are otherwise continued following the Change in Control, then the RSUs will become Vested on the date of the termination of employment.

(d) Effect of Employment Agreement. Notwithstanding any provision herein to the contrary, in the event of any inconsistency between this Section 6 and any employment, change in control, or similar agreement entered into by and between you and the Company (or

any subsidiary), the terms of the employment, change in control or similar agreement shall control, subject to compliance with Section 409A of the Code.

7. Leave of Absence. With respect to the Award, the Company may, in its sole discretion, determine that if you are on leave of absence for any reason you will be considered to still be in the employ of the Company (or a subsidiary), provided that, subject to applicable law, rights to the RSUs during a leave of absence will be limited to the extent to which those rights were earned or vested when the leave of absence began.

8. Issuance of Stock. Shares shall be issued to you in settlement of your Vested RSUs within 30 days following the date upon which such RSUs become Vested in accordance with the Agreement (or such longer period of days, not more than 65, specified in a release described in Section 16). At the time of settlement, the Company shall cause to be issued Shares registered in your name in payment of the Award. The Company shall evidence the Shares to be issued in payment of the RSUs in the manner it deems appropriate. The value of any fractional RSU shall be rounded down at the time Shares are issued to you. No fractional Shares, nor the cash value of any fractional Shares, will be issuable or payable to you pursuant to this Agreement. The value of Shares shall not bear any interest owing to the passage of time. Neither this Section 8 nor any action taken pursuant to or in accordance with this Section 8 shall be construed to create a trust or a funded or secured obligation of any kind.

9. Payment of Taxes. The Company may require you to pay to the Company (or the Company's subsidiary if you are an employee of a subsidiary of the Company), an amount the Company deems necessary to satisfy its (or its subsidiary's) current or future withholding with respect to federal, state or local income or other taxes that you incur as a result of the Award. With respect to any tax withholding (and to the extent permissible pursuant to Rule 16b-3 under the Exchange Act, if applicable), you may (a) direct the Company to withhold from the Shares to be issued to you under this Agreement the number of Shares necessary to satisfy the Company's withholding of such taxes, which determination will be based on the Shares' Fair Market Value at the time such determination is made; (b) deliver to the Company Shares sufficient to satisfy the Company's tax withholding, based on the Shares' Fair Market Value at the time such determination is made; or (c) deliver cash to the Company sufficient to satisfy its tax withholding obligations. If you desire to elect to use the stock withholding option described in subparagraph (a), you must make the election at the time and in the manner the Company prescribes and the maximum number of Shares that may be so withheld or surrendered shall be a number of Shares that have an aggregate Fair Market Value on the date of withholding or repurchase of up to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for you in your relevant federal, state, foreign and/or local tax jurisdiction, including payroll taxes, that may be utilized without creating adverse accounting treatment with respect to the Award. The Company, in its discretion, may deny your request to satisfy its tax withholding obligations using a method described under subparagraph (a), (b) or (c) and require an alternative method of withholding. In the event the Company determines that the aggregate Fair Market Value of the Shares withheld as payment of any tax withholding obligation is insufficient to discharge that tax withholding obligation, then you must pay to the Company, in cash, the amount of that deficiency immediately upon the Company's request.

10. Compliance with Securities and Other Applicable Laws. Notwithstanding any provision of this Agreement to the contrary, the issuance of Shares will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Shares may then be listed. No Shares will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed.

In addition, Shares will not be issued hereunder unless (a) a registration statement under the Securities Act is, at the time of issuance, in effect with respect to the Shares issued or (b) in the opinion of legal counsel to the Company, the Shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any Shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make Shares available for issuance.

11. Legends. The Company may at any time place legends referencing any restrictions imposed on the Shares pursuant to Sections 4 and 10 of this Agreement on all certificates representing Shares issued with respect to this Award.

12. Right of the Company and subsidiaries to Terminate Services. Nothing in this Agreement confers upon you the right to continue in the employ of or performing services for the Company or any subsidiary, or interfere in any way with the rights of the Company or any subsidiary to terminate your employment or service relationship at any time subject to applicable law and the terms of any applicable employment agreement.

13. Furnish Information. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.

14. Remedies. The Company shall be entitled to recover from you reasonable attorneys' fees incurred in connection with the successful enforcement of the terms and provisions of this Agreement whether by an action to enforce specific performance or for damages for its breach or otherwise to the extent allowed by applicable law.

15. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the RSUs granted hereunder.

16. Execution of Receipts and Releases. Any payment of cash or any issuance or transfer of RSUs or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, will, to the extent thereof, be in full satisfaction of all claims of such Persons hereunder. In addition, the Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a general release of all claims in favor of the Company, any Affiliate and the employees, officers, stockholders or board members of the foregoing in such form as the Company may determine. In the event the period you are given to review, execute and revoke a release provided pursuant to this Section 16 spans two calendar years, any payment to you pursuant to this Agreement will be made in the second calendar year.

17. Clawback. This Agreement is subject to any written clawback policies that the Company, with the approval of the Board or the Committee, may adopt to the extent allowed by applicable law. Any such policy may subject your RSUs and amounts paid or realized with

respect to the RSUs under this Agreement to reduction, cancellation, forfeiture or recoupment if certain specified events or wrongful conduct occur, including but not limited to an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy adopted by the Company, including any policy to conform to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and rules promulgated thereunder by the Securities and Exchange Commission and that the Company determines should apply to this Agreement.

18. No Guarantee of Interests. Neither the Board nor the Company guarantee the Shares from loss or depreciation.

19. Company Records. Records of the Company or its subsidiaries regarding your period of employment or service, termination of service and/or employment and the reason(s) therefor, leaves of absence, re-employment, and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.

20. Notice. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by mail and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed or, if earlier, the date it is sent via certified United States mail.

21. Waiver of Notice. Any person entitled to notice hereunder may waive such notice in writing.

22. Certain Covenants.

(a) Protection of Confidential Information. You acknowledge that in the course of your employment with the Company and its subsidiaries, you have obtained and will continue to obtain confidential, proprietary and/or trade secret information of the Company, relating to, among other things, (i) programs, strategies, information or materials related to the business, services, manner of operation and activities of the Company, (ii) customers or prospects of the Company, (iii) computer hardware or software used in the course of the Company business, and (iv) marketing strategies or other activities of the Company from or on behalf of any of its clients, (hereinafter collectively referred to as "**Confidential Information**"); provided, however, that, for purposes of this Agreement, the term Confidential Information shall not include any information that is known generally to the public or accessible to a third party on an unrestricted basis. You recognize that such Confidential Information has been developed by the Company at great expense; is a valuable, special and unique asset of the Company which it uses in its business to obtain competitive advantage over its competitors; is and shall be proprietary to the Company; is and shall remain the exclusive property of the Company; and, is not to be transmitted to any other person, entity or thing. Accordingly, as a material inducement to the Company to enter into this Agreement with you and in partial consideration for the granting of the Award, you hereby:

(i) warrant and represent that you have not disclosed, copied, disseminated, shared or transmitted any Confidential Information to any person, firm, corporation or entity for any reason or purpose whatsoever, except in the course of carrying out your duties and responsibilities of employment with the Company and its subsidiaries;

(ii) agree not to so disclose, copy, disseminate, share or transmit any Confidential Information in the future;

(iii) agree not to make use of any Confidential Information for your own purposes or for the benefit of any person, firm, corporation or other entity, except that, in the course of carrying out the duties and responsibilities of your employment, you may use Confidential Information for the benefit of any Affiliate of the Company;

(iv) warrant and represent that all Confidential Information in your possession, custody or control that is or was a property of the Company has been or shall be returned to the Company by or on the date of your termination; and

(v) agree that you will not reveal, or cause to be revealed, this Agreement or its terms to any third party (other than your attorney, tax advisor, or spouse on the condition that they also not reveal this Agreement or its terms to any other person), except as required by law.

Your covenants in this Section 22(a) are in addition to, and do not supersede, your obligations under any confidentiality, invention or trade secret agreements executed by you, or any laws protecting the Confidential Information.

(b) Non-Solicitation. You agree that during the term of your employment with the Company or its subsidiaries and for a period of one year following your termination of employment with the Company and its subsidiaries, you will not, directly or indirectly, for your benefit or for the benefit of others, solicit any employee or service provider of the Company or its Affiliates to terminate his or her employment or his, her or its service relationship with the Company or its Affiliates; provided, however, that (y) after the termination of your employment for any reason, such employees and service providers shall only include such employees and service providers that you directly worked with in the twelve months preceding the date of termination of your employment, and (z) it will not constitute a violation of this Section 22(b) if an employee or service provider of the Company or its Affiliates accepts employment or a service relationship with a Person not affiliated with the Company or its Affiliates (i) pursuant to a general solicitation advertising the position, (ii) as a result of communications initiated by the employee or service provider of the Company or its Affiliates (and not in response to any solicitation by you) or (iii) where the employment or service relationship with the Company or its Affiliates with respect to such person was terminated more than six months prior to any action by you that would otherwise be a violation of this Section 22(b).

(c) Extent of Restrictions. You acknowledge that the restrictions contained in this Section 22 correctly set forth the understanding of the parties at the time this Agreement is entered into, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation will cause substantial injury to the Company. In the event of any such violation, the Company shall be entitled, in addition to any other remedy, to preliminary or permanent injunctive relief. You waive, to the maximum extent permissible by law, any defenses or other objections to such remedies or the enforceability of this Section 22. To the maximum extent permissible by law, if any court having jurisdiction shall find that any part of the restrictions set forth this Section 22 are unreasonable in any respect, it is the intent of the parties that the restrictions set forth herein shall not be terminated, but that the restrictions set forth in this Section 22 shall remain in full force and effect to the extent (as to time periods and other relevant factors) that the court shall find reasonable.

(d) Limitations. In the event any breach of the covenants set forth in this Section 22 comes to the attention of the Company, this Award and the RSUs granted hereunder that have not at such time been settled shall be immediately forfeited to the Company and the Company it shall take into consideration such breach in determining whether to recommend the grant of any future similar award to you, as a factor weighing against the advisability of granting

any such future award to you. However, nothing in this Agreement will prevent you from: (i) making a good faith report of possible violations of applicable law to any governmental agency or entity or (ii) making disclosures that are protected under the whistleblower provisions of applicable law. For the avoidance of doubt, nothing herein shall prevent you from making a disclosure that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, an individual who files a lawsuit for retaliation by an employer of reporting a suspected violation of law may make disclosures without violating this Section 22 to the attorney of the individual and use such information in the court proceeding.

23. Section 409A. It is intended that the RSUs awarded hereunder shall comply with the requirements of Section 409A of the Code (and any regulations and guidelines issued thereunder), and this Agreement shall be interpreted on a basis consistent with such intent. Payments shall only be made on an event and in a manner permitted by Section 409A of the Code. Each payment under this Agreement is considered a separate payment for purposes of Section 409A of the Code. This Agreement may be amended without your consent in any respect deemed by the Committee to be necessary in order to preserve compliance with Section 409A of the Code. All payments to be made upon a termination of employment under this Agreement may only be made upon a "separation from service" under Section 409A of the Code. In no event may you, directly or indirectly, designate the calendar year of a payment. Notwithstanding anything in this Agreement to the contrary, if you are a "specified employee" under Section 409A of the Code at the time of separation from service and if payment of any amount under this Agreement is required to be delayed for a period of six months after the separation from service pursuant to Section 409A of the Code, payment of such amount shall be delayed as required by Section 409A of the Code, and the accumulated postponed amount shall be paid in a lump sum payment within 10 days after the end of the six-month period. If you die during the postponement period prior to the payment of postponed amount, the accumulated postponed amount shall be paid to the personal representative of your estate within 60 days after the date of your death.

24. Successors. This Agreement shall be binding upon you, your legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

25. Severability. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

26. Company Action. Any action required of the Company shall be by resolution of the Board or by a person or entity authorized to act by resolution of the Board.

27. Headings. The titles and headings of Sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

28. Governing Law. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of the State of Texas, without giving any effect to any conflict of law provisions thereof, except to the extent Texas state law is preempted by federal law. The obligation of the Company to sell and deliver Shares hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Shares.

29. Consent to Texas Jurisdiction and Venue. You hereby consent and agree that state courts located in Dallas, Texas and the United States District Court for the Northern District of Texas each shall have personal jurisdiction and proper venue with respect to any dispute between you and the Company arising in connection with the RSUs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to any such jurisdiction as an inconvenient forum.

30. Amendment. This Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with your consent.

31. The Plan. This Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan.

32. Defined Terms. For purposes of the Agreement, the following terms shall have the meanings assigned below:

(a) “**Adverse Change**” means (i) a change in the city in which you are required to work regularly, (ii) a substantial increase in travel requirements of employment, (iii) a substantial reduction in duties of the type previously performed by you, or (iv) a significant reduction in your compensation or benefits (other than bonuses and other discretionary items of compensation) that does not apply generally to employees of the Company or its successor.

(b) “**Affiliate**” has the meaning provided in Rule 12b-2 under the Exchange Act.

(c) “**Beneficial Owner**” has the meaning provided in Rule 13d-3 under the Exchange Act.

(d) “**Cause**” means:

(i) An act or acts of dishonesty on your part constituting a felony or serious misdemeanor and resulting or intended to result directly in gain or personal enrichment at the expense of the Company or any subsidiary;

(ii) Gross or willful and wanton negligence in the performance of your material and substantial duties of employment with the Company and its subsidiaries; or

(iii) Your conviction of a felony involving moral turpitude.

The existence of Cause shall be determined by the Committee, in its sole and absolute discretion.

(e) “**Change in Control**” means the occurrence of any of the following after the Date of Grant:

(i) Any Person, other than (A) the Company or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the

stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than 40% of the combined voting power of the Company's then outstanding securities, or more than 40% of the then outstanding common stock of the Company, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (e)(iii)(1) below.

(ii) The individuals who as of the Date of Grant constitute the Board and any New Director cease for any reason to constitute a majority of the Board.

(iii) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, except if:

(1) the merger or consolidation results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(2) the merger or consolidation is effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly, or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing more than 40% of the combined voting power of the Company's then outstanding securities.

(iv) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity at least 60% of the combined voting power of the voting securities of which is owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

(f) "**Division**" means each of the refining, midstream or lubricants & specialties segments of the Company, or any other segment or significant line of business identified by the Committee as a "Division."

(g) "**New Director**" means an individual whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the Date of Grant or whose election or nomination for election was previously so approved or recommended. However, "New Director" shall not include a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation relating to the election of directors of the Company.

(h) "**Person**" has the meaning given in Section 3(a)(9) of the Exchange Act as modified and used in Sections 13(d) and 14(d) of the Exchange Act.

(i) “**Retirement**” means your termination of employment other than for Cause on or after the date on which you: (i) have achieved ten years of continuous service with the Company and its subsidiaries, and (ii) are age sixty (60).

(j) “**Sale of a Division**” means a sale or disposition of a substantial portion of a Division (other than a sale or disposition to the Company or any of its subsidiaries) or any other transaction resulting in the loss of control by the Company and its subsidiaries over a substantial portion of a Division (including a public offering of a Division where the Company does not control the Division following such offering), in each case, as determined by the Committee in its sole discretion.

(k) “**Service Period**” means the period of time beginning on the Date of Grant specified in the Notice of Grant and ending on the final vesting date specified in the Notice of Grant.

(l) “**Special Involuntary Termination**” means (i) the occurrence of (A) or (B) below within 60 days prior to, or at any time after, a Change in Control, where (A) is termination of your employment with the Company (including subsidiaries of the Company) by the Company (or any subsidiary) for any reason other than Cause and (B) is your resignation from employment with the Company (including subsidiaries of the Company) within 90 days after an Adverse Change by the Company (including subsidiaries of the Company) in the terms of your employment or (ii) the occurrence of (A) or (B) below within 60 days prior to, or within 90 days after, a Sale of a Division, where more than 50% of your full-time service to the Company is attributable to services to the Division being sold, as determined by the Company in its sole discretion, and provided that the purchaser in any Sale of a Division has not agreed to assume this Award or to substitute a similar award under the purchaser’s equity compensation plan for your Award and where (A) is termination of your employment with the Company (including subsidiaries of the Company) by the Company (or any subsidiary) for any reason other than Cause and (B) is your resignation from employment with the Company (including subsidiaries of the Company) within 90 days after an Adverse Change by the Company (including subsidiaries of the Company) in the terms of your employment.

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**HOLLYFRONTIER CORPORATION
2020 LONG TERM INCENTIVE PLAN**

**NOTICE OF GRANT OF RESTRICTED STOCK UNITS
(U.S.)**

Pursuant to the terms and conditions of the HollyFrontier Corporation 2020 Long Term Incentive Plan (the “**Plan**”), and the associated Restricted Stock Unit Agreement (U.S.) which has been made separately available to you (the “**Agreement**”), you are hereby granted an award to receive the number of Restricted Stock Units (“**RSUs**”) set forth below, whereby each RSU represents the right to receive one Share (as provided in Section 8 of the Agreement), plus rights to certain dividend equivalents described in Section 3 of the Agreement, under the terms and conditions set forth below, in the Agreement, and in the Plan. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan or the Agreement. You may obtain a copy of the Plan and a copy of the prospectus related to the Shares by following the instructions attached as Appendix A. Additionally, you may request a copy of the Plan or the prospectus by contacting Cara Whitesel at Cara.Whitesel@hollyfrontier.com or 214.954.6530.

Grantee: _____

Date of Grant: _____, 2021 (“**Date of Grant**”)

Number of Restricted Stock Units: _____

Vesting Schedule:

The restrictions on all of the RSUs granted pursuant to the Agreement will expire and the RSUs will vest according to the following schedule (or on the first business day thereafter if the date below falls on a weekend) (each such date, a “**Regular Vesting Date**”); provided, that (except as otherwise provided in Section 6 of your Agreement) you remain in the employ of the Company or its subsidiaries continuously from the Date of Grant through such Regular Vesting Dates (as determined under the Agreement).

On Each of the Following Regular Vesting Dates	Cumulative Portion of RSUs that will become Vested
December 1, 2022	One-third
December 1, 2023	One-third
December 1, 2024	One-third

Except as otherwise provided in Section 6 of your Agreement, all RSUs that have not become vested and non-forfeitable pursuant to this Notice will be null and void and forfeited to the Company in the event of your termination by the Company or its subsidiaries for any reason or upon your breach of the covenants set forth in Section 22 of the Agreement.

The Shares you receive upon settlement will be taxable to you in an amount equal to the closing price of the Shares on the date of settlement. By receipt or acceptance of the RSUs you

acknowledge and agree that (a) you are not relying on any written or oral statement or representation by the Company, its affiliates, or any of their respective employees, directors, officers, attorneys or agents (collectively, the “*Company Parties*”) regarding the tax effects associated with this Notice of Grant of Restricted Stock Units and the Agreement and your receipt, holding and vesting of the RSUs, (b) in accepting the RSUs you are relying on your own judgment and the judgment of the professionals of your choice with whom you have consulted, (c) a copy of the Agreement and the Plan has been made available to you and (d) you agree to comply with the terms and conditions of the Plan and the Agreement (including, but not limited to, the covenants set forth in Section 22 of the Agreement). In addition, you consent to receive documents from the Company and any plan administrator by means of electronic delivery, provided that such delivery complies with applicable law, including, without limitation, documents pursuant or relating to any equity award granted to you under the Plan or any other current or future equity or other benefit plan of the Company (the “*Company’s Equity Plans*”). This consent shall be effective for the entire time that you are a participant in a Company Equity Plan. By receiving or accepting the RSUs you hereby release, acquit and forever discharge the Company Parties from all actions, causes of actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with this Notice of Grant of Restricted Stock Unit and the Agreement and your receipt, holding and the vesting and settlement of the RSUs.

HollyFrontier Corporation

Michael C. Jennings, Chief Executive Officer

Appendix A

A-1

**HOLLYFRONTIER CORPORATION
SUBSIDIARIES OF REGISTRANT**

<u>Name of Entity</u>	<u>State or Country of Incorporation or Organization</u>
7037619 Canada Inc.	Canada
Artesia PTU LLC	Delaware
Artesia Renewable Diesel Company LLC	Delaware
Black Eagle LLC	Delaware
Cheyenne Logistics LLC ⁽¹⁾	Delaware
Cheyenne Renewable Diesel Company LLC	Delaware
Cushing Connect Pipeline & Terminal LLC (joint venture) ⁽¹⁾	Delaware
Cushing Connect Pipeline Holdings LLC (joint venture subsidiary) ⁽¹⁾	Delaware
Cushing Connect Terminal Holdings LLC (joint venture subsidiary) ⁽¹⁾	Delaware
Eagle Consolidation LLC	Delaware
El Dorado Logistics LLC ⁽¹⁾	Delaware
El Dorado Operating LLC ⁽¹⁾	Delaware
El Dorado Osage LLC ⁽¹⁾	Delaware
El Paso Operating LLC	Delaware
Ethanol Management Company LLC	Delaware
Frontier Aspen LLC (f/k/a HEP Casper SLC LLC) ⁽¹⁾	Delaware
Frontier Pipeline LLC	Delaware
Frontier Refining & Marketing LLC	Delaware
HEP Cheyenne LLC ⁽¹⁾	Delaware
HEP Cushing LLC (f/k/a HEP Cheyenne Shortline LLC) ⁽¹⁾	Delaware
HEP El Dorado LLC ⁽¹⁾	Delaware
HEP Fin-Tex/Trust-River, L.P. ⁽¹⁾	Texas
HEP Logistics GP, L.L.C. ⁽¹⁾	Delaware
HEP Logistics Holdings, L.P.	Delaware
HEP Mountain Home, L.L.C. ⁽¹⁾	Delaware
HEP Navajo Southern, L.P. ⁽¹⁾	Delaware
HEP Oklahoma LLC ⁽¹⁾	Delaware
HEP Pipeline Assets, Limited Partnership ⁽¹⁾	Delaware
HEP Pipeline GP, L.L.C. ⁽¹⁾	Delaware
HEP Pipeline, L.L.C. ⁽¹⁾	Delaware
HEP Refining Assets, L.P. ⁽¹⁾	Delaware
HEP Refining GP, L.L.C. ⁽¹⁾	Delaware
HEP Refining, L.L.C. ⁽¹⁾	Delaware
HEP Tulsa LLC ⁽¹⁾	Delaware
HEP UNEV Holdings LLC ⁽¹⁾	Delaware
HEP UNEV Pipeline LLC ⁽¹⁾	Delaware
HEP Woods Cross, L.L.C. ⁽¹⁾	Delaware
Hippo Merger Sub, Inc.	Delaware
Hippo Parent Corporation	Delaware
Holly Energy Finance Corp. ⁽¹⁾	Delaware
Holly Energy Holdings LLC ⁽¹⁾	Delaware
Holly Energy Partners – Operating, L.P. ⁽¹⁾	Delaware
Holly Energy Partners, L.P. ⁽¹⁾	Delaware
Holly Energy Storage – Lovington LLC ⁽¹⁾	Delaware
Holly Logistic Services, L.L.C.	Delaware
Holly Logistics Limited LLC	Delaware
Holly Petroleum, Inc.	Delaware
Holly Refining Communications, Inc.	Delaware
HollyFrontier Asphalt Company LLC	Delaware
HollyFrontier Cheyenne Refining LLC	Delaware

HollyFrontier Cyprus Limited	Cyprus
HollyFrontier El Dorado Refining LLC	Delaware
HollyFrontier Holdings LLC	Delaware
HollyFrontier LSP Brand Strategies LLC	Delaware
HollyFrontier LSP Europe B. V. (f/k/a Petro-Canada Lubricants Netherlands B.V.)	Netherlands
HollyFrontier LSP Holdings LLC	Delaware
HollyFrontier LSP Latin America Holdings LLC	Delaware
HollyFrontier LSP Mexico S. de R.L. de C.V.	Mexico
HollyFrontier LSP Services LLC	Delaware
HollyFrontier LSP US Holdings LLC	Delaware
HollyFrontier Luxembourg Holding Company	Luxembourg
HollyFrontier Navajo Refining LLC	Delaware
HollyFrontier Netherlands B.V.	Netherlands
HollyFrontier Payroll Services, Inc.	Delaware
HollyFrontier Puget Sound Refining LLC	Delaware
HollyFrontier Refining & Marketing LLC	Delaware
HollyFrontier Renewables Holding Company LLC (f/k/a HollyFrontier Midstream Holding Company Inc.)	Delaware
HollyFrontier Renewables Marketing LLC	Delaware
HollyFrontier Services LLC	Delaware
HollyFrontier Transportation LLC	Delaware
HollyFrontier Tulsa Refining LLC	Delaware
HollyFrontier Woods Cross Refining LLC	Delaware
Hollymarks, LLC	Delaware
HRM Realty, LLC	Delaware
Jia Shi Lubricants Trading (Shanghai) Co. Ltd.	China
Lea Refining Company	Delaware
Lovington-Artesia, L.L.C. ⁽¹⁾	Delaware
Navajo Holdings, Inc.	New Mexico
Navajo Pipeline Co., L.P. ⁽¹⁾	Delaware
Navajo Pipeline GP, L.L.C.	Delaware
Navajo Pipeline LP, L.L.C.	Delaware
NWNAL LLC ⁽¹⁾	Delaware
Osage Pipe Line Company, LLC (joint venture) ⁽¹⁾	Delaware
Petro-Canada America Lubricants LLC ⁽²⁾	Delaware
Petro-Canada Europe Lubricants Limited	U.K.
Petro-Canada Lubricants Inc.	Canada
Qingdao Sonneborn Refined Products Co., Ltd.	China
Red Giant Oil Company LLC	Delaware
Roadrunner Pipeline, L.L.C. ⁽¹⁾	Delaware
SLC Pipeline LLC (f/k/a HEP SLC, LLC) ⁽¹⁾	Delaware
Sonneborn do Brasil Representacoes Comerciais LTDA	Brazil
Sonneborn Refined Products B.V.	Netherlands
Sonneborn US Holdings LLC	Delaware
Sonneborn, LLC	Delaware
UNEV Pipeline, LLC (joint venture) ⁽¹⁾	Delaware
Wainoco Oil and Gas Company	Delaware
Wainoco Resources, Inc.	Delaware
Woods Cross Operating LLC ⁽¹⁾	Delaware

(1) Represents a subsidiary of Holly Energy Partners, L.P. We have presented these entities in our list of subsidiaries as a result of our reconsolidation of Holly Energy Partners, L.P. on March 1, 2008.

(2) Petro-Canada America Lubricants LLC also does business as Intelligro.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-211557) pertaining to the HollyFrontier Corporation Long-Term Incentive Compensation Plan, and
- (2) Registration Statement (Form S-8 No. 333-238835) pertaining to the HollyFrontier Corporation 2020 Long Term Incentive Plan;

of our reports dated February 23, 2022, with respect to the consolidated financial statements of HollyFrontier Corporation and the effectiveness of internal control over financial reporting of HollyFrontier Corporation included in this Annual Report (Form 10-K) for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Dallas, Texas
February 23, 2022

CERTIFICATION

I, Michael C. Jennings, certify that:

1. I have reviewed this annual report on Form 10-K of HollyFrontier Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: February 23, 2022

/s/ Michael C. Jennings

Michael C. Jennings
Chief Executive Officer

CERTIFICATION

I, Richard L. Voliva III, certify that:

1. I have reviewed this annual report on Form 10-K of HollyFrontier Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2022

/s/ Richard L. Voliva III

Richard L. Voliva III
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE
OFFICER UNDER SECTION 906 OF THE
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the accompanying report on Form 10-K for the annual period ending December 31, 2021 and filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael C. Jennings, Chief Executive Officer of HollyFrontier Corporation (the "Company") hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

/s/ Michael C. Jennings

Michael C. Jennings
Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL
OFFICER UNDER SECTION 906 OF THE
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the accompanying report on Form 10-K for the annual period ending December 31, 2021 and filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard L. Voliva III, Chief Financial Officer of HollyFrontier Corporation (the "Company") hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

/s/ Richard L. Voliva III

Richard L. Voliva III

Executive Vice President and Chief Financial Officer