

binding agreements.

### **Long-term Debt Under Our Revolving Credit Facility**

We entered into a revolving credit agreement with certain lenders in April 2014, which provided for a \$225.0 million revolving unsecured credit facility maturing on April 4, 2019. As of December 31, 2014 \$30.0 million was drawn under the credit facility, with \$195.0 million remaining as available. On July 1, 2015, we repaid the outstanding loan balance of \$30 million, which was previously drawn under the credit facility. As of September 30, 2015, no amounts were outstanding under the credit facility, with \$225.0 million remaining available.

Borrowings under the credit facility bear interest, at our option, at (i) a base rate based on the highest of the prime rate, the federal funds rate plus 0.50%, and an adjusted LIBOR rate for a one-month interest period plus 1.00%, in each case plus a margin ranging from 0.00% to 0.75%; or (ii) an adjusted LIBOR rate plus a margin ranging from 1.00% to 1.75%. This margin is determined based on the total leverage ratio for the preceding fiscal quarter or fiscal year and whether a qualified initial public offering has occurred in accordance with the terms of the revolving credit agreement. We are obligated to pay other customary fees for a credit facility of this size and type including an annual administrative agent fee of \$0.1 million and an unused commitment fee ranging from 0.10% to 0.25% depending on our leverage ratio. We paid \$0.4 million in unused commitment fees during the year ended December 31, 2014. We paid \$0.4 million in fees related to unused commitments during the nine months ended September 30, 2015.

The credit facility contains operating covenants, including customary limitations on the incurrence of certain indebtedness and liens, restrictions on certain inter-company transactions, and limitations on the amount of dividends and stock repurchases.

On November 2, 2015, we entered into a new revolving credit agreement with certain lenders, which extinguished the prior revolving credit agreement, and provided for a \$350.0 million revolving secured credit facility maturing on November 2020. This new revolving credit agreement is secured by certain tangible and intangible assets. The new credit facility contains operating covenants, including customary limitations on the incurrence of certain indebtedness and liens, restrictions on certain inter-company transactions, restrictions on the sale or other disposition of collateral and limitations on the amount of dividends and stock repurchases.

Loans under the new credit facility bear interest, at our option, at (i) a base rate based on the highest of the prime rate, the federal funds rate plus 0.50% and an adjusted LIBOR rate for a one-month interest period in each case plus a margin ranging from 0.00% to 1.00%, or (ii) an adjusted LIBOR rate plus a margin ranging from 1.00% to 2.00%. This margin is determined based on our total leverage ratio for the preceding four fiscal quarters and our status as a public or non-public company. We are obligated to pay other customary fees for a credit facility of this size and type including an annual administrative agent fee of \$0.1 million and an unused commitment fee of 0.15%. To date no funds were drawn under the new credit facility, with \$350.0 million remaining available.

Additionally, we have entered into an agreement for an incremental \$25.0 million of capacity under our revolving secured credit facility from an existing investor, which becomes effective following our initial public offering.

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## **Table of Contents**

### ***Lease Commitments***

We have entered into various non-cancelable operating leases for certain offices with contractual lease periods expiring between 2014 and 2025. We recognized total rental expenses under operating leases of \$1.6 million, \$6.1 million, and \$11.4 million, during the years ended December 31, 2012, 2013, and 2014, respectively.

### ***Off-balance Sheet Arrangements***

We do not have any off-balance sheet arrangements and did not have any such arrangements in the nine months ended September 30, 2015, or for the years ended December 31, 2012, 2013, or 2014.

## **Critical Accounting Policies and Estimates**

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements,