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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 23, 2024

SYNCHRONY FINANCIAL

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36560
(Commission
File Number)

51-0483352
(I.R.S. Employer
Identification No.)

777 Long Ridge Road
Stamford, Connecticut
(Address of principal executive offices)

06902
(Zip Code)

(203) 585-2400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	SYF	New York Stock Exchange
Depository Shares Each Representing a 1/40th Interest in a Share of 5.625% Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A	SYFPrA	New York Stock Exchange

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

Emerging growth company

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

Item 3.03. Material Modification to Rights of Security Holders.

On February 23, 2024, Synchrony Financial (the “Company”) issued and sold 20,000,000 depositary shares (the “Depositary Shares”), each representing a 1/40th ownership interest in a share of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, par value \$0.001 per share (the “Series B Preferred Stock”). The Company filed a Certificate of Designations (the “Certificate of Designations”) with the Secretary of State of the State of Delaware, establishing the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, of the Series B Preferred Stock on February 22, 2024. Holders of the Depositary Shares will be entitled to all proportional rights and preferences of the Series B Preferred Stock (including, dividend, voting, redemption and liquidation rights).

Under the terms of the Series B Preferred Stock, the ability of the Company to pay dividends on, make distributions with respect to, or to repurchase, redeem or otherwise acquire its common stock or any preferred stock ranking on parity with or junior to the Series B Preferred Stock, is subject to certain restrictions in the event that the Company does not declare and either pay or set aside a sum sufficient for payment of dividends on the Series B Preferred Stock for the immediately preceding dividend period.

The description of the terms of the Series B Preferred Stock is qualified in its entirety by reference to the Certificate of Designations, which is included as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated by reference herein.

In connection with the issuance of the Depositary Shares, the Company entered into a Deposit Agreement, dated as of February 23, 2024 (the “Deposit Agreement”), by and among the Company, Computershare Inc. and Computershare Trust Company, N.A., collectively as depositary, and the holders from time to time of the depositary receipts (the “Depositary Receipts”) evidencing the Depositary Shares. The Series B Preferred Stock were deposited against the delivery of the Depositary Receipts pursuant to the Deposit Agreement. The Deposit Agreement is attached hereto as Exhibit 4.2 and the form of Depositary Receipt is attached hereto as Exhibit 4.3. The foregoing description of the Deposit Agreement is entirely qualified by reference to such exhibit, which is incorporated by reference herein.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The Certificate of Designations became effective upon filing with the Secretary of State of the State of Delaware and it amends the Company’s Amended and Restated Certificate of Incorporation. The terms of the Series B Preferred Stock are more fully described in Item 3.03 of this Current Report on Form 8-K and the Certificate of Designations, which is attached hereto as Exhibit 4.1, both of which are incorporated by reference herein.

Item 8.01. Other Events.

On February 15, 2024, the Company entered into an underwriting agreement (the “Underwriting Agreement”) with Morgan Stanley & Co. LLC, BofA Securities, Inc., J.P. Morgan Securities LLC, RBC Capital Markets, LLC and Wells Fargo Securities, LLC as representatives of the several underwriters listed on Schedule I to the Underwriting Agreement (collectively, the “Underwriters”), to issue and sell to the Underwriters an aggregate amount of 20,000,000 Depositary Shares, each representing a 1/40th ownership interest in a share of the Series B Preferred Stock in a public offering pursuant to the Company’s Registration Statement on Form S-3 (File No. 333-266264) (the “Registration Statement”) and a related prospectus, including the related prospectus supplement, filed with the Securities and Exchange Commission.

The foregoing summary of the Underwriting Agreement does not purport to be complete and is qualified in its entirety by reference to the text of the Underwriting Agreement, which is filed as Exhibit 1.1 hereto and incorporated by reference into this Item 8.01 and into the Registration Statement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Number	Description
1.1	<u>Underwriting Agreement, dated February 15, 2024, among Synchrony Financial and Morgan Stanley & Co. LLC, BofA Securities, Inc., J.P. Morgan Securities LLC, RBC Capital Markets, LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters listed on Schedule I thereto.</u>
4.1	<u>Certificate of Designations of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, dated February 22, 2024.</u>
4.2	<u>Deposit Agreement, dated February 23, 2024, by and among the Company, Computershare Inc. and Computershare Trust Company, N.A., collectively as Depositary, and the holders from time to time of the depositary receipts described therein.</u>
4.3	<u>Form of Depositary Receipt (included in Exhibit 4.2).</u>
5.1	<u>Opinion of Sidley Austin LLP.</u>
23.1	<u>Consent of Sidley Austin LLP (included in Exhibit 5.1 hereto).</u>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURE

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

SYNCHRONY FINANCIAL

Date: February 23, 2024

By: /s/ Jonathan S. Mothner
Name: Jonathan S. Mothner
Title: Executive Vice President, Chief Risk and Legal Officer

20,000,000 DEPOSITARY SHARES
EACH REPRESENTING A 1/40TH INTEREST IN A SHARE OF
8.250% FIXED RATE RESET NON-CUMULATIVE PERPETUAL
PREFERRED STOCK, SERIES B OF
SYNCHRONY FINANCIAL
UNDERWRITING AGREEMENT

February 15, 2024

Morgan Stanley & Co. LLC
BofA Securities, Inc.
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
Wells Fargo Securities, LLC

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, NY 10036

c/o BofA Securities, Inc.
One Bryant Park
New York, NY 10036

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street, 8th Floor
New York, NY 10281

c/o Wells Fargo Securities, LLC
550 South Tryon Street, 5th Floor
Charlotte, NC 28202

As Representatives of the several
Underwriters listed in Schedule I hereto

Dear Sirs and Mesdames:

SYNCHRONY FINANCIAL, a Delaware corporation (the “**Company**”), proposes, subject to the terms and conditions stated herein, to issue and to sell to the several Underwriters listed in Schedule I hereto (the “**Underwriters**”), for whom you are acting as representatives (the “**Representatives**”), an aggregate of 20,000,000 depositary shares (the “**Shares**”), each such share representing ownership of 1/40th of a share of the Company’s 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, par value \$0.001 per share, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) (the “**Preferred Stock**”). The Preferred Stock, when issued, will be deposited by the Company against delivery of depositary receipts (“**Depositary Receipts**”), which will evidence the Shares and will be issued by Computershare Trust Company, N.A. (“**Computershare**” or the “**Depositary**”), under a Deposit Agreement (the “**Deposit Agreement**”), to be dated as of the Closing Date (as defined herein), among the Company, the Depositary and the holders from time to time of the Depositary Receipts issued thereunder. Each Depositary Receipt will evidence one or more Shares.

This Agreement and the Deposit Agreement are referred to herein to as the **“Transaction Documents.”**

The Company has filed with the U.S. Securities and Exchange Commission (the **“Commission”**) a registration statement, including a prospectus, on Form S-3 (File No. 333-266264) relating to its senior debt securities, subordinated debt securities, common stock, preferred stock, depository shares, warrants, stock purchase contracts, stock purchase units and hybrid securities combining elements of the foregoing (the **“Shelf Securities”**), including the Shares, to be issued from time to time by the Company. The registration statement as amended to the date of this Agreement, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Securities Act of 1933, as amended (the **“Securities Act”**), is hereinafter referred to as the **“Registration Statement,”** and the related prospectus covering the Shelf Securities dated July 21, 2022 is hereinafter referred to as the **“Basic Prospectus.”** The Basic Prospectus, as supplemented by the prospectus supplement specifically relating to the Shares in the form first used to confirm sales of the Shares (or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Securities Act) is hereinafter referred to as the **“Prospectus,”** and the term **“Preliminary Prospectus”** means any preliminary form of the Prospectus, in the form used in the offering of the Shares and any amendments thereto, or in the form filed pursuant to Rule 424(b) under the Securities Act prior to filing of the Prospectus.

For purposes of this Agreement, **“free writing prospectus”** has the meaning set forth in Rule 405 under the Securities Act, **“Time of Sale Prospectus”** means the documents set forth in Schedule II hereto (which shall not include any Electronic Road Show), and **“Electronic Road Show”** means a **“road show”** as defined in Rule 433(h) under the Securities Act. As used herein, the terms **“Registration Statement,” “Basic Prospectus,” “Preliminary Prospectus,” “Time of Sale Prospectus”** and **“Prospectus”** shall include the documents, if any, incorporated by reference therein on the date hereof. The terms **“supplement,” “amendment,”** and **“amend”** as used herein with respect to the Registration Statement, the Basic Prospectus, the Time of Sale Prospectus, the Preliminary Prospectus or the Prospectus shall include all documents subsequently filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the **“Exchange Act”**), that are deemed to be incorporated by reference therein.

1. *Representations and Warranties.* The Company represents and warrants to and agrees with each of the Underwriters, as of the date hereof, that:

(a) The Registration Statement has become effective; no stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose are pending before or, to the Company’s knowledge, threatened by the Commission.

(b) (i) Each document, if any, filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Time of Sale Prospectus or the Prospectus complied or will comply when so filed in all material respects with the Exchange Act and the applicable rules and regulations of the Commission thereunder, (ii) each part of the Registration Statement, when such part became effective, did not contain, and each such part, as amended or supplemented, if applicable, will not contain, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) the Registration Statement, the Preliminary Prospectus and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (iv) the Time of Sale Prospectus does not, and at the time of each sale of the Shares in connection with the offering at or prior to the Closing Date (as defined in Section 4 hereof), the Time of Sale Prospectus, as then amended or supplemented by the Company, if applicable, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (v) any Electronic Road Show, when considered together with the Time of Sale Prospectus, does not, and at the time of each sale of the Shares in connection with the offering at or prior to the Closing Date, any such Electronic Road Show, when considered together with the Time of Sale Prospectus, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and (vi) the Prospectus does not contain and, as of the Closing Date, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement, the Time of Sale Prospectus, any Electronic Road Show or the Prospectus based upon the Underwriter Information (as defined in Section 9(b)).

(c) The Company is not an “ineligible issuer” in connection with the offering pursuant to Rules 164, 405 and 433 under the Securities Act. Any free writing prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Except for the free writing prospectuses, if any, identified in Schedule II hereto, and Electronic Road Shows, if any, furnished to the Representatives before first use, the Company has not prepared, used or referred to, and will not, without the Representatives’ prior consent, prepare, use or refer to, any free writing prospectus.

(d) The Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the State of Delaware, has the corporate power and authority to own its property and to conduct its business as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus and to enter into and perform its obligations under this Agreement, and is duly qualified to transact business

and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(e) Each subsidiary of the Company set forth in Schedule III hereto (each, a **Designated Subsidiary**” and, collectively, the **Designated Subsidiaries**”) has been duly incorporated or formed, as the case may be, and is validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation; each Designated Subsidiary has the full power and authority to own its property and to conduct its business as currently conducted; each Designated Subsidiary is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; all of the issued shares of capital stock or other ownership interests of each Designated Subsidiary are owned directly or indirectly by the Company, have been duly and validly authorized and issued, are fully paid and non-assessable, if applicable, and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except as would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; for purposes of this Agreement, Schedule III hereto includes each subsidiary of the Company that is a “significant subsidiary” (as such term is defined in Rule 1-02 of Regulation S-X promulgated by the Commission) and that is in existence on the date hereof; *provided* that, for the avoidance of doubt, none of Synchrony Credit Card Master Note Trust, Synchrony Sales Finance Master Trust or Synchrony Card Issuance Trust shall be considered a “subsidiary” under Rule 1-02 of Regulation S-X for purposes of this Section 1(e).

(f) This Agreement has been duly authorized, executed and delivered by the Company.

(g) (A) The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Transaction Documents will not contravene (i) any provision of applicable law or the certificate of incorporation or by-laws of the Company, (ii) any agreement or other instrument binding upon the Company or any of its subsidiaries (except to the extent such contravention would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole), or (iii) any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company or any subsidiary, and (B) no consent, approval, authorization or order of, or qualification with, any U.S. federal, state or local governmental body or agency is required for the performance by the Company of its obligations under the Transaction Documents, except such as has been obtained and as may be required to be obtained by the Company under the securities or Blue Sky laws of the various states in connection with the offer and sale of the Shares.

(h) The Company has an authorized capitalization as set forth under the condensed consolidated balance sheet data contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023; all of the outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; except as described in the Registration Statement, the Time of Sale Prospectus or the Prospectus, there are no outstanding rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company, including the Shares and the Preferred Stock, conforms in all material respects to the description thereof contained in the Registration Statement, the Time of Sale Prospectus or the Prospectus.

(i) The Deposit Agreement has been duly authorized by the Company, and, when executed and delivered by the Company (and assuming due authorization, execution and delivery of the by the Depositary), the Deposit Agreement will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject, as to enforcement, to applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general applicability relating to, or affecting, creditors' rights and to general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity. The Deposit Agreement will conform in all material respects to the description thereof contained in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(j) The Shares have been duly authorized by the Company, and, when issued and delivered to and paid for by the Underwriters in accordance with this Agreement, will be validly issued and, upon deposit of the Preferred Stock with the Depositary pursuant to the Deposit Agreement, and the due execution of the Deposit Agreement and the Depositary Receipts by the Depositary, will be entitled to the rights and the benefits of the Deposit Agreement.

(k) The Preferred Stock represented by the Shares has been duly authorized and, when the Shares are issued and delivered against payment therefor pursuant to this Agreement, and upon the execution and effectiveness of the Certificate of Designations (as defined herein), the Preferred Stock will be validly issued, fully paid and non-assessable, and will have the rights set forth in the Certificate of Designations for the Preferred Stock; and the issuance of the Preferred Stock is not subject to preemptive rights.

(l) The execution and filing of a Certificate of Designations (the "**Certificate of Designations**") designating the "Series B Preferred Stock" and establishing the rights, preferences and entitlements thereof, has been duly authorized by the Company and, as of the Closing Date, the Certificate of Designations will have been duly executed and filed with the Secretary of State of the State of Delaware.

(m) None of the Company or any of the Designated Subsidiaries is in violation of its certificate of incorporation, by-laws or other constituent documents; none of the Company or any of its subsidiaries is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any agreement or other instrument binding upon the Company or any of its subsidiaries, except to the extent such default would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(n) There has not occurred any material adverse change in the financial condition, or in the earnings, business, or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the Time of Sale Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement).

(o) There are no legal or governmental proceedings pending or, to the knowledge of the Company, threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement, the Time of Sale Prospectus or the Prospectus and are not so described therein and there are no statutes, regulations, contracts or other documents that are required to be described in the Registration Statement, the Time of Sale Prospectus or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(p) Each Preliminary Prospectus complied when filed in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder.

(q) The Company is not, and after giving effect to the offering and sale of the Shares and the application of the net proceeds from such sale as described in the Time of Sale Prospectus and the Prospectus under the caption "Use of Proceeds" will not be, an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(r) Except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company or to require the Company to include such securities with the Shares registered pursuant to the Registration Statement.

(s) Subsequent to the date as of which information is given in the Time of Sale Prospectus, (i) the Company and its subsidiaries, taken as a whole, have not incurred any material liability or obligation, direct or contingent, or entered into any material transaction not in the ordinary course of business; (ii) the Company has not purchased any of its outstanding capital stock, or declared, paid or otherwise made any dividend or distribution of any kind on its capital stock other than ordinary and customary dividends; and (iii) there has not been any material change in the capital stock, short-term debt or long-term debt of the Company and its subsidiaries, except in the case of each of clauses (i), (ii) and (iii) of this Section 1(s) as described or otherwise contemplated in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(t) Each of the Company and the Designated Subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects except such as are described in the Registration Statement, the Time of Sale Prospectus and the Prospectus or would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; and any real property and buildings held under lease by the Company and the Designated Subsidiaries are held by them under valid, subsisting and enforceable leases except such as are described in the Registration Statement, the Time of Sale Prospectus and the Prospectus or would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(u) Each of the Company and the Designated Subsidiaries own or possess valid and enforceable rights to all patents, patent rights, licenses, software, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names and domain names currently employed by them in connection with the business now operated by them, except where the failure to so own or possess would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole, and except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, neither the Company nor any of its subsidiaries has received any notice or claim of infringement or misappropriation of or conflict with asserted rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could reasonably be expected to have a material adverse effect on the Company and its subsidiaries, taken as a whole, and the Company is not aware of any reasonable basis for any such notice or claim.

(v) (A) To the knowledge of the Company, there has been no security breach or incident, unauthorized access or disclosure, or other compromise relating to the Company's or its subsidiaries' information technology and computer systems, networks, hardware, software, data and databases (including the data and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and its subsidiaries, and any such data processed or stored by third parties on behalf of the Company and its subsidiaries), equipment or technology (collectively, "**IT Systems and Data**"); (B) neither the Company nor its subsidiaries have been notified of, and each of them have no knowledge of any event or condition that could result in, any security breach or incident, unauthorized access or disclosure or other compromise to their IT Systems and Data; and (C) the Company and its subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards, except with respect to clauses (A) and (B), for any such security breach or incident, unauthorized access or disclosure, or other compromises, as would not, singly or in the aggregate, have a material adverse effect, or with respect to clause (C), where the failure to do so would not, singly or in the aggregate, have a material adverse effect. The Company and its

subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification.

(w) No labor dispute with the employees of the Company or any of its subsidiaries exists, except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, or, to the knowledge of the Company, is imminent, except where such dispute would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(x) The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with United States generally accepted accounting principles ("GAAP") and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since the end of the Company's most recent audited fiscal year, there has been (i) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (ii) no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(y) The interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(z) The Company and each of its subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through the date of this Agreement or have requested extensions thereof (except where the failure to file would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole), all returns that have been filed have been true and complete in all material respects and the Company and each of its subsidiaries have paid all taxes required to be paid thereon (except for cases in which the failure to file or pay would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, or, except as currently being contested in good faith and for which reserves required by GAAP have been created in the financial statements of the Company). No tax deficiency has been determined adversely to the Company or any of its subsidiaries which has had (nor does the Company nor any of its subsidiaries have any notice or knowledge of any tax deficiency which could reasonably be expected to be determined adversely to the Company or its subsidiaries and which could reasonably be expected to have) a material adverse effect on the Company and its subsidiaries, taken as a whole.

(aa) The statements set forth in (i) the Time of Sale Prospectus and the Prospectus under the captions “Description of Capital Stock—Preferred Stock” and “Description of Depository Shares,” insofar as they purport to constitute a summary of the issuance and sale of the Shares, and under the caption “Material United States Federal Income Tax Consequences,” insofar as they purport to describe the provisions of the laws (including United States federal tax laws) referred to therein, (ii) the Annual Report on Form 10-K filed by the Company with the Commission on February 8, 2024, which is incorporated by reference in the Time of Sale Prospectus and the Prospectus, under the captions “Item 1. Business—Regulation” and “Item 3. Legal Proceedings,” (iii) the Proxy Statement on Schedule 14A filed by the Company with the Commission on April 4, 2023, specified sections of which are incorporated by reference in the Time of Sale Prospectus and the Prospectus, under the caption “Related Person Transactions,” insofar as they purport to describe the provisions of the laws and documents referred to therein and (iv) in the Registration Statement in Item 15 of Form S-3, insofar as they purport to describe the provisions of the laws and documents referred to therein, in each case fairly summarize in all material respects the matters described therein.

(bb) KPMG LLP, whose report is incorporated by reference in the Prospectus, is an independent registered public accounting firm with respect to the Company and its consolidated subsidiaries within the meaning of the Securities Act and the rules and regulations adopted by the Commission thereunder. The financial statements of the Company and its consolidated subsidiaries (including the related notes) incorporated by reference in the Registration Statement, the Time of Sale Prospectus and the Prospectus present fairly in all material respects the financial condition, results of operations and cash flows of the entities purported to be shown thereby at the dates and for the periods indicated and have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated and conform in all material respects with the rules and regulations adopted by the Commission under the Securities Act. Any pro forma financial information and any related notes thereto incorporated by reference in the Registration Statement, the Time of Sale Prospectus and the Prospectus has been prepared in accordance with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and the assumptions underlying such pro forma financial information are reasonable.

(cc) Neither the Company nor any of its subsidiaries, nor, to the Company’s knowledge, any director, officer, affiliate, agent, employee or representative acting on behalf of the Company or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, that has violated or would result in a violation by such persons of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”), and the rules and regulations thereunder, or any other applicable anti-bribery or anti-corruption laws (collectively, the “**Anti-Bribery Laws**”), including, without limitation, by making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization or approval of the payment or giving of any money, property, gift, promise to give, or authorization of the giving of anything else of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or party official or any candidate for foreign political office in contravention of the Anti-Bribery Laws; and the Company and its subsidiaries have conducted their businesses in compliance with the Anti-Bribery Laws and have instituted and maintain and enforce policies and procedures designed to promote and ensure, and which are reasonably expected to continue to promote and ensure, continued compliance therewith.

(dd) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency having jurisdiction over the Company or any of its subsidiaries (collectively, the “**Anti-Money Laundering Laws**”), except as would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ee) (i) None of the Company, any of its subsidiaries, or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (collectively, “**Sanctions**”); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (A) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (B) to fund or facilitate any activities of or business in any country or territory that is the subject or the target of Sanctions, including, without limitation, the Crimean Region and the non-government controlled areas of the Zaporizhzhia and Kherson Regions of Ukraine, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, Cuba, Iran, North Korea and Syria (each, a “**Sanctioned Country**”), or (C) in any other manner that will result in a violation by any person (including any person participating in the transaction) of Sanctions.

(ii) The Company and its subsidiaries are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is the subject or the target of Sanctions or with any Sanctioned Country.

(ff) The Company and each of its subsidiaries are in compliance with all applicable laws administered by, and regulations of, the Board of Governors of the Federal Reserve System (the “**Federal Reserve Board**”), the Federal Deposit Insurance Corporation (the “**FDIC**”), the Office of the Comptroller of the Currency (the “**OCC**”), the Consumer Financial Protection Bureau and any other federal or state bank regulatory authorities with jurisdiction over the Company or any of its subsidiaries (collectively, the “**Bank Regulatory Authorities**”), except where the failure to be in compliance with such

laws and regulations would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole. Except as described in the Registration Statement, Time of Sale Prospectus or Prospectus, or as would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole, neither the Company nor any of its subsidiaries is a party to or otherwise subject to any consent decree, memorandum of understanding, cease and desist order, order of prohibition or suspension, written commitment, supervisory agreement, or written agreement or other written statement as described under 12 U.S.C. 1818(u) or under 12 U.S.C. 5563 and 12 U.S.C. 5565 (whether or not such Bank Regulatory Authority has determined that publication would be contrary to the public interest) with any of the Bank Regulatory Authorities (collectively, "**Regulatory Orders**"). None of the Company or any of its subsidiaries has been advised in writing by any Bank Regulatory Authority that such Bank Regulatory Authority is contemplating issuing or requesting any Regulatory Order, nor, to the Company's knowledge, has the Company or any of its subsidiaries been advised other than in writing by any Bank Regulatory Authority that such Bank Regulatory Authority is contemplating issuing or requesting any Regulatory Order.

(gg) The Company is a duly registered savings and loan holding company under the Home Owners' Loan Act (12 U.S.C. 1461 et seq.).

(hh) Synchrony Bank (the "**Bank**") is a federally chartered savings association regulated by the OCC and its charter is in full force and effect. The Bank is, and has been since January 1, 2016, in compliance with the requirements of the qualified thrift lender test (the requirements of which are set forth at 12 U.S.C. 1467a(m)), including, but not limited to, the requirement to maintain at least 65% of the Bank's portfolio assets in certain qualified thrift investments.

(ii) The deposit accounts of the Bank are insured up to applicable limits by the FDIC, all premiums and assessments required to be paid in connection therewith have been paid when due, and no proceedings for the termination or revocation of such insurance are pending or, to the knowledge of the Company or the Bank, threatened.

(jj) The Bank is "well-capitalized" (as that term is defined at 12 C.F.R. 6.4(b)(1)) and has not been informed in writing by any Bank Regulatory Authority that its status as "well-capitalized" will change within one year, nor, to the Company's knowledge, has the Bank been informed other than in writing by any Bank Regulatory Authority that its status as "well-capitalized" will change within one year. If the Company were a federal savings association, it would qualify as "well-capitalized" (as that term is defined at 12 C.F.R. 6.4(b)(1)).

(kk) The Bank has received an overall Community Reinvestment Act ("**CRA**") rating of at least "satisfactory" and has not been informed in writing by any Bank Regulatory Authority that it may receive a less than "satisfactory" rating for CRA purposes within one year, nor, to the Company's knowledge, has the Bank been informed other than in writing by any Bank Regulatory Authority that it may receive a less than "satisfactory" rating for CRA purposes within one year. The Company is not aware of any facts or circumstances that exist that would cause the Bank to not be in satisfactory compliance in any material respect with the CRA, and the regulations promulgated thereunder, or to be assigned a CRA rating by the OCC of lower than "satisfactory."

2. *Agreements to Sell and Purchase.* The Company hereby agrees to sell to the several Underwriters, and each Underwriter, upon the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agrees to purchase, severally and not jointly, from the Company the respective number of Shares set forth opposite the name of such Underwriter in Schedule I hereto, in each case, at a purchase price (the "**Purchase Price**") equal to \$24.2125 per Share with respect to 9,800,000 Shares for retail orders and \$24.75 per Share with respect to 10,200,000 Shares for institutional orders.

3. *Terms of Public Offering.* The Company is advised by the Representatives that the Underwriters propose to make a public offering of their respective portions of the Shares as soon after the Registration Statement and this Agreement have become effective as in the judgment of the Representatives is advisable.

4. *Payment and Delivery.* The Company will deliver, or cause to be delivered, the Shares to the Representatives for the account of each Underwriter against payment by or on behalf of such Underwriter of the Purchase Price by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least twenty-four hours in advance, by causing Computershare and Computershare Inc., collectively as registrant, to register the Shares in the name of Cede & Co., or such other nominee as DTC may designate, and shall cause DTC to credit the Shares to the account of Morgan Stanley & Co. LLC at DTC. The time and date of such delivery and payment shall be 10:00 a.m. (New York City time) on February 23, 2024, or at such other time on the same or such other date, not later than seven full business days thereafter as the Representatives and the Company determine, such time and date being referred to as the "**Closing Date**."

5. *Conditions to the Underwriters' Obligations.* The several obligations of the Underwriters are subject to the following conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date:

(i) there shall not have occurred any downgrading of the Company by any "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) of the Exchange Act ("**NRSRO**"), nor shall any public announcement have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the securities of the Company by any such NRSRO; and

(ii) there shall not have occurred any material adverse change in the financial condition, earnings, business or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the Time of Sale Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement).

(b) The Underwriters shall have received on the Closing Date a certificate, dated the Closing Date and signed by an executive officer of the Company, to the effect set forth in Section 5(a) above and to the effect that the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date and that the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) The Underwriters shall have received on the Closing Date an opinion letter (including certain negative assurances) of Sidley Austin LLP, outside U.S. counsel for the Company, dated the Closing Date, substantially in the form set forth in Exhibit A.

(d) The Underwriters shall have received on the Closing Date an opinion of Covington & Burling LLP, special U.S. regulatory counsel for the Company, dated the Closing Date, substantially in the form set forth in Exhibit B.

The opinions of Sidley Austin LLP and Covington & Burling LLP described in Sections 5(c) and 5(d) above shall be rendered to the Underwriters at the request of the Company and shall so state therein.

(e) The Underwriters shall have received on the Closing Date an opinion and negative assurance letter of Davis Polk & Wardwell LLP, counsel for the Underwriters, each dated the Closing Date, with respect to such matters as the Underwriters shall reasonably request.

(f) The Underwriters shall have received executed copies of the Deposit Agreement.

(g) The Underwriters shall have received, on each of the date hereof and the Closing Date, a letter dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Underwriters, from KPMG LLP, an independent registered public accounting firm, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus; *provided* that the letter delivered on the Closing Date, shall use a "cut-off date" not earlier than the date hereof.

(h) The Representatives shall have received prior to the Closing Date satisfactory evidence of the filing of the Certificate of Designations, as provided for in Section 6(m) of this Agreement.

(i) On or prior to the Closing Date the Company shall have made application for listing of the Shares on the New York Stock Exchange (the "NYSE").

(j) On or before the Closing Date, the Shares shall be rated by Fitch Ratings Inc. and by S&P Global Ratings, Inc. as set forth in the final term sheet and the Company shall have delivered to the Representatives a letter dated the Closing Date, from each such rating agency, or other evidence satisfactory to the Representatives, confirming that the Shares have such ratings.

6. *Covenants of the Company.* In further consideration of the agreements of the Underwriters herein contained, the Company covenants with each Underwriter as follows:

(a) To furnish to the Representatives in New York City, without charge, prior to 10:00 a.m. (New York City time) on the business day next succeeding the date of this Agreement or as promptly as practicable thereafter and during the period mentioned in Section 6(e) or 6(f) below, as many copies of the Time of Sale Prospectus, the Prospectus and any supplements and amendments thereto or to the Registration Statement as the Representatives may reasonably request.

(b) At any time on or prior to the Closing Date, before amending or supplementing the Registration Statement, the Time of Sale Prospectus or the Prospectus, to furnish to the Representatives a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which the Representatives reasonably object, and to file with the Commission within the applicable period specified in Rule 424(b) under the Securities Act any prospectus required to be filed pursuant to such Rule.

(c) To furnish to the Representatives a copy of each proposed free writing prospectus relating to the Shares prepared by or on behalf of, used by, or referred to by the Company and not to use or refer to any such proposed free writing prospectus to which the Representatives reasonably object.

(d) Not to take any action that would result in an Underwriter or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of the Underwriter that the Underwriter otherwise would not have been required to file thereunder.

(e) If the Time of Sale Prospectus is being used to solicit offers to buy the Shares at a time when the Prospectus is not yet available to prospective purchasers and any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Time of Sale Prospectus in order to make the statements therein, in the light of the circumstances, not misleading, or if any event shall occur or condition exist as a result of which the Time of Sale Prospectus conflicts with the information contained in the Registration Statement then on file, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Time of Sale Prospectus to comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to any dealer upon request, either amendments or supplements to the Time of Sale Prospectus so that the statements in the Time of Sale Prospectus as so amended or supplemented will not, in the light of the circumstances when the Time of Sale Prospectus is delivered to a prospective purchaser, be misleading or so that the Time of Sale Prospectus, as amended or supplemented, will no longer conflict with the Registration Statement, or so that the Time of Sale Prospectus, as amended or supplemented, will comply with applicable law.

(f) If, during such period after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) under the Securities Act) is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances when the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) under the Securities Act) is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Prospectus to comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to the dealers (whose names and addresses the Representatives will furnish to the Company) to which Shares may have been sold by the Representatives on behalf of the Underwriters and to any other dealers upon request, either amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances when the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) under the Securities Act) is delivered to a purchaser, be misleading or so that the Prospectus, as amended or supplemented, will comply with applicable law.

(g) To endeavor to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request.

(h) To make generally available to the Company's security holders and to the Representatives, as soon as practicable, an earnings statement covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the date of this Agreement, which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder, *provided* that the Company will be deemed to have furnished such statement to its security holders and the Representatives to the extent it is filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system.

(i) To prepare a final term sheet relating to the offering of the Shares, containing only information that describes the final terms of the Shares or the offering in a form consented to by the Representatives, and to file such final term sheet within the period required by Rule 433(d)(5)(ii) under the Securities Act following the date the final terms have been established for the offering of the Shares.

(j) For the period ending 30 days after the date of the Prospectus, the Company will not (i) offer, pledge, announce the intention to sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any Preferred Stock or Shares, any other preferred stock of the Company (or depositary shares in respect thereof), or any securities convertible into or exercisable or exchangeable for Preferred Stock, Depositary Shares, or any other preferred stock of the Company (or depositary shares in respect thereof), or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Preferred Stock or Depositary Shares, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Preferred Stock or Shares or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than the Preferred Stock and Shares to be sold hereunder.

(k) To use its best efforts to effect the listing of the Shares on the NYSE no later than 30 days from the Closing Date, subject to notice of issuance, and, upon such listing, will use its reasonable best efforts to maintain such listing.

(l) To maintain a transfer agent and a registrar for the Shares.

(m) To execute and to file the Certificate of Designations with the Secretary of State of the State of Delaware, accompanied by all fees required to be paid therewith, designating the "Series B Preferred Stock" and establishing the rights, preferences and entitlements thereof, which shall conform in all material respects to the description thereof in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

7. *Expenses.* Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, the Company agrees to pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any Preliminary Prospectus, the Time of Sale Prospectus, the Prospectus, any free writing prospectus prepared by or on behalf of, used by, or referred to by the Company and amendments and supplements to any of the foregoing, all printing costs associated therewith, and the mailing and delivering of copies thereof to the Underwriters and dealers, in the quantities hereinabove specified, (ii) all costs and expenses related to the issuance and delivery of the Shares to the Underwriters, (iii) the cost of printing or the reasonable fees of counsel in producing any Blue Sky or Legal Investment memorandum in connection with the offer and sale of the Shares under state securities laws and all expenses in connection with the qualification of the Shares for offer and sale under state securities laws as provided in Section 6(g) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky or Legal Investment memorandum, (iv) all filing fees and the reasonable fees and disbursements of counsel to the Underwriters incurred in connection with the review and qualification of the offering of the Shares by the Financial Industry Regulatory Authority, Inc., (v) all fees charged by the rating agencies for ratings of the Shares, (vi) the cost of printing certificates representing the Shares, (vii) the costs and charges of any transfer agent, registrar or depository, (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares, including, without limitation, expenses associated with the production of any Electronic Road Show, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the Company's pro rata

share (based on the number of seats occupied by representatives and officers of the Company and any such consultants, on the one hand, and by representatives and officers of the Underwriters, on the other hand) of the cost of any aircraft chartered in connection with the road show with the prior approval of the Company (with the remainder of the cost of such aircraft to be paid by the Underwriters), (ix) the costs and expenses related to the listing of the Shares with the NYSE, and (x) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in this Section, Section 9 entitled "Indemnity and Contribution" and the last paragraph of Section 11 below, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, transfer taxes payable on resale of any of the Shares by them and any advertising expenses connected with any offers they may make.

The provisions of this section shall not supersede or otherwise affect any agreement that the Company and its parent companies may otherwise have for the allocation of such expenses among themselves.

8. *Covenants of the Underwriters.* Each Underwriter severally covenants with the Company not to take any action that would result in the Company being required to file with the Commission under Rule 433(d) a free writing prospectus prepared by or on behalf of such Underwriter that otherwise would not be required to be filed by the Company thereunder, but for the action of the Underwriter (other than, for the avoidance of doubt, the final term sheet prepared by the Company and filed with the Commission pursuant to Section 6(i)). Each Underwriter severally acknowledges and agrees that, except as may be set forth in Schedule II hereto, the Company has not authorized or approved any "issuer information" (as defined in Rule 433(h) under the Securities Act) for use in any free writing prospectus prepared by or on behalf of the Underwriters.

9. *Indemnity and Contribution.*

(a) The Company agrees to indemnify and hold harmless each Underwriter, its directors, officers, employees and agents and each person, if any, who controls any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, and each affiliate of any Underwriter within the meaning of Rule 405 under the Securities Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, any Preliminary Prospectus, the Time of Sale Prospectus or any amendment or supplement thereto, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, any Electronic Road Show or the Prospectus (if used within the period set forth in Section 6(f) hereof and as amended or supplemented if the Company shall furnished any amendments or supplements thereto), or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(b) Each Underwriter agrees, severally but not jointly, to indemnify and hold harmless the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to such Underwriter, but only with reference to information relating to such Underwriter furnished to the Company in writing by the Representatives on behalf of such Underwriter expressly for use in the Registration Statement, any Preliminary Prospectus, the Time of Sale Prospectus, any free writing prospectus that the Company has filed or is required to file pursuant to Rule 433(d) under the Securities Act, any Electronic Road Show or the Prospectus or, in each case, any amendment or supplement thereto (the “**Underwriter Information**”).

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 9(a) or 9(b), such person (the “**indemnified party**”) shall promptly notify the person against whom such indemnity may be sought (the “**indemnifying party**”) in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the reasonable fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (i) the fees and expenses of more than one separate firm (in addition to any local counsel) for all Underwriters and all persons, if any, who control any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act or who are affiliates of any Underwriter within the meaning of Rule 405 under the Securities Act, and (ii) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either such Section, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Underwriters and such control persons and affiliates of any Underwriters, such firm shall be designated in writing by the Representatives. In the case of any such separate firm for the Company and such directors, officers and control persons of the Company, such firm shall be designated in writing by the Company. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from

and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

(d) To the extent the indemnification provided for in Section 9(a) or 9(b) is unavailable to an indemnified party in respect of any losses, claims, damages or liabilities referred to under such paragraph, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) if the indemnifying party is the Company, in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party on the one hand and the indemnified party or parties on the other hand from the offering of the Shares, (ii) if the indemnifying party is an Underwriter, in such proportion as is appropriate to reflect the relative fault of such Underwriter on the one hand and the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities or (iii) if the allocation provided by clause (i) or (ii) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above or the relative fault referred to in clause (ii) above but also the relative fault (in cases covered by clause (i) above) or the relative benefits (in cases covered by clause (ii) above) of the indemnifying party or parties on the one hand and of the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Shares (before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate Public Offering Price of the Shares. The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Underwriters' respective obligations to contribute pursuant to this Section 9 are several in proportion to the respective aggregate number of Shares they have purchased hereunder, and not joint.

(e) The Company and the Underwriters agree that it would not be just or equitable if contribution pursuant to this Section 9 were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 9(d). The amount paid or payable by an indemnified party as a result of the

losses, claims, damages and liabilities referred to in Section 9(d) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 9 and the representations, warranties and other statements of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter, any person controlling any Underwriter or any affiliate of any Underwriter or by or on behalf of the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

10. *Termination.* The Underwriters may terminate this Agreement by notice given by the Representatives to the Company, if after the execution and delivery of this Agreement and prior to the Closing Date (i) trading in securities generally on or by the NYSE shall have been suspended or materially limited, (ii) trading of any securities of the Company shall have been suspended on the NYSE, (iii) a general moratorium on commercial banking activities in the State of New York or the United States shall have been declared by federal or New York State authorities, or (iv) there shall have occurred any material outbreak, or material escalation, of hostilities or other national or international calamity or crisis, which in each case of (i) through (iv) above is of such magnitude and severity in its effect on the financial markets of the United States, in the reasonable judgment of the Representatives, as to prevent or materially impair the delivery, or enforcement of contracts for sale, of the Shares.

11. *Effectiveness; Defaulting Underwriters.* This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If, on the Closing Date, any one or more of the Underwriters shall fail or refuse to purchase Shares that it has or they have agreed to purchase hereunder on such date, and the aggregate number of Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate number of Shares to be purchased on such date, the other Underwriters shall be obligated severally in the proportions that the number of Shares set forth opposite their respective names in Schedule I bears to the aggregate number of Shares set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as the Representatives may specify, to purchase the Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date; *provided* that in no event shall the number of Shares that any Underwriter has agreed to

purchase on such date pursuant to this Agreement be increased pursuant to this Section 11 by an amount in excess of one-ninth of such number of Shares without the written consent of such Underwriter. If, on the Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Shares and the aggregate number of Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Shares to be purchased on such date, and arrangements satisfactory to the Representatives and the Company for the purchase of such Shares are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter or the Company. In any such case either the Representatives or the Company shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement, in the Time of Sale Prospectus, in the Prospectus or in any other documents or arrangements may be effected. Any action taken under this paragraph shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

If this Agreement shall be terminated by the Underwriters, or any one of them, because of any failure or refusal on the part of the Company to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company shall be unable to perform its obligations under this Agreement, the Company will reimburse the Underwriters or such Underwriters as have so terminated this Agreement with respect to themselves, severally, for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by such Underwriters in connection with this Agreement or the offering contemplated hereunder.

12. *USA Patriot Act.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L.107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

13. *Counterparts.* This Agreement may be signed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. The words "execution," "signed," "signature," and words of like import in this Agreement or in any other certificate, agreement or document related to this Agreement, if any, shall include images of manually executed signatures transmitted by facsimile or other electronic format (including, without limitation, "pdf," "tif" or "jpg") and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

14. *Applicable Law.* THIS AGREEMENT, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING WITHOUT LIMITATION SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

15. *Headings.* The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

16. *Nature of Relationship.* The Company and the Underwriters acknowledge and agree that, in connection with all aspects of each transaction contemplated by this Agreement, the Company and the Underwriters have an arms-length business relationship that creates no fiduciary duty on the part of either party and each expressly disclaims any fiduciary relationship. In addition, the Company acknowledges and agrees that the Underwriters may have interests that differ from those of the Company.

17. *Entire Agreement.* This Agreement, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded by this Agreement) that relate to the offering of the Shares, represents the entire agreement between the Company and the Underwriters with respect to the preparation of any Preliminary Prospectus, the Time of Sale Prospectus, the Prospectus, the conduct of the offering, and the purchase and sale of the Shares.

18. *Notices.* All communications hereunder shall be in writing and effective only upon receipt and if to the Underwriters shall be delivered, mailed or sent to the Representatives at (a) Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk with a copy to the Legal Department, Facsimile: (212) 507-8999; and (b) BofA Securities, Inc., 114 West 47th Street, NY8-114-07-01, New York, New York 10036, Attention: High Grade Debt Capital Markets Legal (fax no.: (212) 901-7881, email: dg.hg_ua_notices@bofa.com); (c) J.P. Morgan Securities, LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 834-6081); (d) RBC Capital Markets, LLC, Brookfield Place, 200 Vesey Street, 8th Floor, New York, NY 10281, Telephone: (212) 618-7706, Email: TMGUS@rbccm.com, Attention: DCM Transaction Management/Scott Primrose and (e) Wells Fargo Securities, LLC, 550 South Tryon Street, 5th Floor, Charlotte, North Carolina 28202, Attention: Transaction Management, email: tmgcapitalmarkets@wellsfargo.com; and if to the Company shall be delivered, mailed or sent to SYNCHRONY FINANCIAL, 777 Long Ridge Road, Stamford, Connecticut 06902, Attention: Jonathan S. Mothner, Esq.

19. *JURY TRIAL WAIVER.* THE PARTIES HERETO WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

20. *Recognition of the U.S. Special Resolution Regimes.*

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such party of this Agreement and any interest and obligation in or under this Agreement will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or any BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in Section 20:

“**BHC Act Affiliate**” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“**Covered Entity**” means any of the following:

a “**covered entity**” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

a “**covered bank**” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

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.

“**U.S. Special Resolution Regime**” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[Signature Page Follows]

Very truly yours,

SYNCHRONY FINANCIAL

By: /s/ Christopher J. Coffey

Name: Christopher J. Coffey

Title: SVP, Treasury – Funding, Investment & Liquidity

[Signature Page to Underwriting Agreement]

Accepted as of the date hereof

Morgan Stanley & Co. LLC
BofA Securities, Inc.
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
Wells Fargo Securities, LLC

Acting severally on behalf of themselves and the several
Underwriters named in Schedule I hereto.

Morgan Stanley & Co. LLC

By: /s/ Hector Vazquez
Name: Hector Vazquez
Title: Executive Director

BofA Securities, Inc.

By: /s/ Anthony Aceto
Name: Anthony Aceto
Title: Managing Director

J.P. Morgan Securities LLC

By: /s/ Stephen L. Sheiner
Name: Stephen L. Sheiner
Title: Executive Director

RBC Capital Markets, LLC

By: /s/ Eric Steifman
Name: Eric Steifman
Title: Managing Director

Wells Fargo Securities, LLC

By: /s/ Carolyn Hurley
Name: Carolyn Hurley
Title: Managing Director

SCHEDULE I

<u>Underwriter</u>	<u>Number of Shares To Be Purchased</u>
Morgan Stanley & Co. LLC	3,660,000
BofA Securities, Inc.	3,660,000
J.P. Morgan Securities LLC	3,660,000
RBC Capital Markets, LLC	3,660,000
Wells Fargo Securities, LLC	3,660,000
Barclays Capital Inc.	200,000
Citigroup Global Markets Inc.	200,000
Mizuho Securities USA LLC	200,000
MUFG Securities Americas Inc.	200,000
SG Americas Securities, LLC	200,000
TD Securities (USA) LLC	200,000
Academy Securities, Inc.	62,500
Blaylock Van, LLC	62,500
CastleOak Securities, L.P.	62,500
InspereX LLC	62,500
Mischler Financial Group, Inc.	62,500
R. Seelaus & Co., LLC	62,500
Samuel A. Ramirez & Company, Inc.	62,500
Siebert Williams Shank & Co., LLC.	62,500
Total:	<u>20,000,000</u>

SCHEDULE II
TIME OF SALE PROSPECTUS

1. Prospectus dated July 21, 2022 relating to the Shelf Securities
2. Preliminary Prospectus Supplement dated February 15, 2024 relating to the Shares
3. Pricing Term Sheet dated February 15, 2024 relating to the Shares (attached as Exhibit C hereto)

SCHEDULE III
LIST OF DESIGNATED SUBSIDIARIES

Designated Subsidiaries	Jurisdiction of Organization
Synchrony Bank	United States
Synchrony Lending, Inc.	Delaware
RFS Holding, Inc.	Delaware
RFS Holding, L.L.C.	Delaware

EXHIBIT C

Pricing Term Sheet
Dated February 15, 2024

Issuer Free Writing Prospectus
Filed Pursuant to Rule 433
Registration Statement No. 333-266264
Supplementing the Preliminary
Prospectus Supplement dated February 15, 2024
(To the Prospectus dated July 21, 2022)



DEPOSITARY SHARES EACH REPRESENTING A 1/40TH INTEREST IN A SHARE OF 8.250% FIXED RATE RESETNON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES B

The information in this pricing term sheet relates to the Offering of SYNCHRONY FINANCIAL (the "Issuer"), and should be read together with the preliminary prospectus supplement dated February 15, 2024 relating to the Offering, and the accompanying prospectus dated July 21, 2022 included in the Issuer's Registration Statement on Form S-3 (File No. 333-266264) (as supplemented by such preliminary prospectus supplement, the "Preliminary Prospectus").

The information in this pricing term sheet supersedes the information in the Preliminary Prospectus to the extent inconsistent with the information in the Preliminary Prospectus. Terms used but not defined herein have the meanings given in the Preliminary Prospectus.

Issuer:	SYNCHRONY FINANCIAL
Title of Securities:	Depositary shares (the "Depositary Shares") each representing a 1/40th interest in a share of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B (the "Preferred Stock")
Expected Security Ratings:*	BB- / B+ (S&P / Fitch)
Size:	\$500,000,000 (20,000,000 Depositary Shares) (\$500,000,000 aggregate liquidation preference)
Liquidation Preference:	\$25 per Depositary Share (equivalent to \$1,000 per share of Preferred Stock)
Term:	Perpetual
First Reset Date:	May 15, 2029
Reset Date:	The First Reset Date and each date falling on the fifth anniversary of the preceding Reset Date.
Reset Period:	The period from, and including, the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from, and including, each Reset Date to, but excluding, the next following Reset Date.

Dividend Rate (Non-Cumulative):	From and including the date of issuance at a rate of 8.250% per annum, to but excluding, the First Reset Date, and from and including the First Reset Date, during each Reset Period, the Five-Year U.S. Treasury Rate as of the most recent reset dividend determination date (each as defined in the preliminary prospectus supplement dated February 15, 2024) plus 4.044%.
Dividend Payment Dates:	February 15, May 15, August 15, and November 15 of each year, beginning on May 15, 2024.
Purchase Price:	\$24.2125 per Depositary Share for Depositary Shares sold to retail investors and \$24.75 per Depositary Share for Depositary Shares sold to institutional investors
Public Offering Price:	\$25 per Depositary Share
Net Proceeds (before expenses) to Issuer:	\$489,732,500.00
Day Count Convention:	30/360, Following Unadjusted
Business Day Convention:	New York
Redemption:	<p>The Issuer may redeem the Preferred Stock at its option, (i) in whole or in part, from time to time, on the First Reset Date or any dividend payment date thereafter, at a redemption price equal to \$1,000 per share (equivalent to \$25 per Depositary Share), plus any declared and unpaid dividends, or (ii) in whole but not in part, at any time within 90 days following a regulatory capital treatment event (as defined in the preliminary prospectus supplement dated February 15, 2024), at a redemption price equal to \$1,000 per share (equivalent to \$25 per Depositary Share), plus any declared and unpaid dividends.</p> <p>Any redemption of the Preferred Stock is subject to the Issuer's receipt of any required prior approval by the Board of Governors of the Federal Reserve System (the "Federal Reserve") and to the satisfaction of any conditions set forth in the capital adequacy regulations and policies of the Federal Reserve applicable to redemption of the Preferred Stock.</p>
CUSIP/ISIN for the Depositary Shares:	87165B 400 / US87165B4005
Listing:	Application will be made to list the Depositary Shares on the New York Stock Exchange (the "NYSE") under the symbol "SYFPrB." If the application is approved, trading of the Depositary Shares on the NYSE is expected to commence within the 30-day period following the original issuance date of the Depositary Shares.
Method of Settlement:	DTC
Trade Date:	February 15, 2024
Settlement Date:**	February 23, 2024 (T+5)
Joint Book-Running Managers:	Morgan Stanley & Co. LLC BofA Securities, Inc. J.P. Morgan Securities LLC RBC Capital Markets, LLC Wells Fargo Securities, LLC
Senior Co-Managers:	Barclays Capital Inc. Citigroup Global Markets Inc. Mizuho Securities USA LLC MUFG Securities Americas Inc. SG Americas Securities, LLC TD Securities (USA) LLC

Co-Managers:

Academy Securities, Inc.
Blaylock Van, LLC
CastleOak Securities, L.P.
InspereX LLC
Mischler Financial Group, Inc.
R. Seelaus & Co., LLC
Samuel A. Ramirez & Company, Inc.
Siebert Williams Shank & Co., LLC

- * Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. Each credit rating should be evaluated independently of any other credit rating.
- ** **It is expected that delivery of the Depositary Shares will be made against payment therefor on or about February 23, 2024, which will be the fifth business day after the date of the prospectus supplement. Under Rule 15c6-1 of the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Depositary Shares on the date of the prospectus supplement will be required, by virtue of the fact that the Depositary Shares will settle in five business days, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Such purchasers should consult their own advisors in this regard.**

The Issuer has filed a registration statement (including a prospectus) and a preliminary prospectus supplement dated February 15, 2024 with the SEC for the Offering to which this communication relates. Before you invest, you should read the preliminary prospectus supplement and the accompanying prospectus in that registration statement and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this Offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you may obtain a copy of these documents by calling Morgan Stanley & Co. LLC toll free at 1-866-718-1649, BofA Securities, Inc. toll free at 1-800-294-1322, J.P. Morgan Securities LLC collect at 1-212-834-4533, RBC Capital Markets, LLC, at 1-866-375-6829 or Wells Fargo Securities, LLC toll free at 1-800-645-3751.

ANY DISCLAIMER OR OTHER NOTICE THAT MAY APPEAR BELOW IS NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMER OR NOTICE WAS AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT BY BLOOMBERG OR ANOTHER EMAIL SYSTEM.

CERTIFICATE OF DESIGNATIONS
OF
8.250% FIXED RATE RESET NON-CUMULATIVE PERPETUAL PREFERRED STOCK,
SERIES B OF
SYNCHRONY FINANCIAL

Synchrony Financial, a corporation organized and existing under the General Corporation Law of the State of Delaware (the “Corporation”), in accordance with the provisions of Sections 141 and 151 thereof, does hereby certify:

At a meeting of the Board of Directors (the “Board”) of the Corporation duly convened and held on February 6, 2024, the Board duly adopted resolutions (a) authorizing the issuance and sale by the Corporation of one or more series of the Corporation’s authorized and unissued preferred stock (“Preferred Stock”), and (b) authorizing certain officers of the Corporation (the “Authorized Officers”) to act on behalf of the Board in, subject to the limitations set forth therein, approving the terms and conditions of, and authorizing the execution, delivery and filing of any certificate of designations relating to any such series of Preferred Stock fixing the designations, powers, preferences, rights, privileges, qualifications, limitations, restrictions, terms and conditions of such series of Preferred Stock;

Thereafter, on February 14, 2024, the Authorized Officers duly approved the creation of a series of 500,000 shares of Preferred Stock of the Corporation designated as “8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B” by written consent:

RESOLVED, that pursuant to the provisions of the Amended and Restated Certificate of Incorporation and the amended and restated bylaws of the Corporation and applicable law, a series of Preferred Stock, par value \$0.001 per share, of the Corporation be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of Preferred Stock a series of Preferred Stock designated as the “8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B” (hereinafter called “Series B Preferred Stock”). The authorized number of shares of Series B Preferred Stock shall be 500,000 shares, \$0.001 par value per share, having a liquidation preference of \$1,000 per share. The number of shares constituting Series B Preferred Stock may be increased from time to time in accordance with law up to the maximum number of shares of Preferred Stock authorized to be issued under the Amended and Restated Certificate of Incorporation of the Corporation, as amended, less all shares at the time authorized of any other series of Preferred Stock, and any such additional shares of Series B Preferred Stock would form a single series with the Series B Preferred Stock. Shares of Series B Preferred Stock will be dated the date of issue, which shall be referred to herein as the “original issue date”. Shares of outstanding Series B Preferred Stock that are redeemed, purchased or otherwise acquired by the Corporation, or converted into another series of Preferred Stock, shall be cancelled and shall revert to authorized but unissued shares of Preferred Stock undesignated as to series.

Part 2. Standard Provisions. The Standard Provisions contained in Annex A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this Certificate of Designations to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in this Certificate of Designations (including the Standard Provisions in Annex A hereto) as defined below:

(a) “Common Stock” means the common stock, par value \$0.001 per share, of the Corporation.

(b) "original issue date" means the date of issue of the Series B Preferred Stock.

(c) "Preferred Stock" means any and all series of preferred stock of the Corporation, including the Series B Preferred Stock.

Part 4. Certain Voting Matters. Holders of shares of Series B Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Series B Preferred Stock are entitled to vote, including any action by written consent.

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IN WITNESS WHEREOF, Synchrony Financial has caused this Certificate of Designations to be signed by the undersigned as of this 22nd day of February, 2024

SYNCHRONY FINANCIAL

By /s/ Christopher J. Coffey

Name: Christopher J. Coffey

Title: SVP, Treasury – Funding, Investments & Liquidity

[Signature Page to Series B Certificate of Designations]

STANDARD PROVISIONSSection 1. Definitions.

- (a) "Business Day" means any weekday that is not a legal holiday in New York, New York and that is not a day on which banking institutions in New York, New York are closed.
- (b) "Calculation Agent" means the calculation agent appointed by the Corporation prior to the Series B Dividend Determination Date preceding the First Reset Date, which may be a person or entity affiliated with the Corporation.
- (c) "DTC" means The Depository Trust Company.
- (d) "First Reset Date" means May 15, 2029.
- (e) "Five-Year U.S. Treasury Rate" has the meaning set forth in Section 3(c).
- (f) "Regulatory Capital Treatment Event" means the good faith determination by the Corporation that, as a result of (1) any amendment to, or change (including any announced prospective change) in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series B Preferred Stock; (2) any proposed change in those laws or regulations that is announced or becomes effective after the initial issuance of any share of Series B Preferred Stock; or (3) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series B Preferred Stock, there is more than an insubstantial risk that the Corporation will not be entitled to treat the full liquidation value of the shares of Series B Preferred Stock then outstanding as Tier 1 capital (or its equivalent) for purposes of the Board of Governors of the Federal Reserve System's (the "Federal Reserve") capital adequacy regulations and policies (or, as and if applicable, the capital adequacy regulations and policies of any successor appropriate federal banking regulator or agency), as then in effect and applicable, for as long as any share of Series B Preferred Stock is outstanding.
- (g) "Series B Dividend Determination Date" means, in respect of any Reset Period, the day falling three Business Days prior to the beginning of such Series B Reset Period.
- (h) "Series B Dividend Payment Date" has the meaning set forth in Section 3(b).
- (i) "Series B Dividend Period" means the period from and including a Series B Dividend Payment Date to, but excluding, the next Series B Dividend Payment Date, except that the initial Series B Dividend Period will commence on and include the original issue date of Series B Preferred Stock.
- (j) "Series B Junior Securities" has the meaning set forth in Section 2(a).
- (k) "Series B Parity Securities" has the meaning set forth in Section 2(b).
- (l) "Series B Reset Date" means the First Reset Date and each subsequent date falling on the fifth anniversary of the preceding Series B Reset Date, and if any Series B Reset Date, including the First Reset Date, falls on a day that is not a Business Day, such Series B Reset Date shall not be adjusted to a day that is a Business Day.
- (m) "Series B Reset Period" means initially the period from and including the First Reset Date to, but excluding, the next following Series B Reset Date, and thereafter each period from and including each Series B Reset Date to, but excluding, the next following Series B Reset Date.

Section 2. Ranking. The shares of Series B Preferred Stock shall rank:

- (a) senior, as to dividends and distribution of assets upon liquidation, dissolution or winding up of the Corporation, to the Common Stock, and to any other class or series of capital stock of the Corporation now or hereafter authorized, issued or outstanding that, by its terms, does not expressly provide that it ranks *pari passu* with the Series B Preferred Stock as to dividends and distributions of assets upon liquidation, dissolution and winding up, as the case may be (collectively, "Series B Junior Securities");

(b) on a parity, as to dividends and distributions of assets upon liquidation, dissolution or winding up of the Corporation, with any class or series of capital stock of the Corporation now or hereafter authorized, issued or outstanding that, by its terms, expressly provides that it ranks *pari passu* with the Series B Preferred Stock as to dividends and distributions of assets upon liquidation, dissolution and winding up, as the case may be, including the Corporation's Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A (collectively, "Series B Parity Securities"); and

(c) Junior, as to distributions of assets upon liquidation, dissolution, and winding up of the Corporation, to any existing or future indebtedness of the Corporation.

(d) The Corporation may authorize and issue additional shares of Series B Junior Securities and Series B Parity Securities without the consent of the holders of the Series B Preferred Stock.

Section 3. Dividends.

(a) Holders of Series B Preferred Stock will be entitled to receive, when, as, and if declared by the Board or a duly authorized committee of the Board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, commencing May 15, 2024 based on the liquidation preference of the Series B Preferred Stock. Dividends will accrue when, as and if declared, (i) from the original issuance date, to but excluding, the First Reset Date at a fixed rate of 8.250% per annum and (ii) from, and including, the First Reset Date, during each Series B Reset Period, at a rate equal to the Five-Year U.S. Treasury Rate (as defined below) as of the most recent Series B Dividend Determination Date plus 4.044% on the liquidation preference of \$1,000 per share. If the Corporation issues additional shares of the Series B Preferred Stock after the original issue date, dividends on such shares will accrue from the original issue date of such additional shares.

(b) If declared by the Board or a duly authorized committee of the Board, dividends will be payable on the Series B Preferred Stock (each such date, a "Series B Dividend Payment Date") quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, beginning on May 15, 2024. If any date on which dividends would otherwise be payable is not a Business Day, then the Series B Dividend Payment Date will be the next Business Day, without any adjustment to the amount of dividends paid.

(c) For any Series B Reset Period, the "Five-Year U.S. Treasury Rate" shall be determined by the Calculation Agent on the applicable Series B Dividend Determination Date as follows:

- (i) The Five-Year U.S. Treasury Rate shall be the average of the yields on actively traded U.S. treasury securities adjusted to constant maturity, for five-year maturities, for the five business days immediately preceding the recent Series B Dividend Determination Date for that Series B Reset Period, appearing under the caption "Treasury Constant Maturities" in the most recently published statistical release designated H.15 Daily Update or any successor publication which is published by the Federal Reserve as of 5:00 p.m. (Eastern Time) as of any Series B Dividend Determination Date, as determined by the Calculation Agent in its sole discretion; provided that if no such calculation can be determined as described above, then: (a) if the Calculation Agent determines the treasury rate has not been discontinued, then the Calculation Agent will use for such Series B Reset Period a substitute base rate that it has determined is most comparable to the treasury rate; or (b) if the Calculation Agent determines the treasury rate has been discontinued, then the Calculation Agent will use for such Series B Reset Period and each successive Series B Reset Period a substitute or successor base rate that it has determined is most comparable to the treasury rate; provided that if the Calculation Agent determines there is an industry-accepted successor base rate to the treasury rate, then the Calculation Agent shall use such successor base rate.

- (ii) If the Calculation Agent has determined a substitute or successor base rate in accordance with Section 3(b)(c)(i)(b) hereof but no calculation with respect to such substitute or successor base rate can be determined as of any subsequent Series B Dividend Determination Date, then a new substitute or successor base rate shall be determined as set forth in the 3(b)(c)(i)(a) or (b) hereof, as applicable, as if the previously-determined substitute or successor base rate was the treasury rate. If the Calculation Agent has determined a substitute or successor base rate, then the Calculation Agent will apply any technical, administrative or operational changes that we determine (including changes to the definitions of "Series B Dividend Period", "Series B Reset Period", "Series B Reset Date" and "Series B Dividend Determination Date", timing and frequency of determining rates with respect to each Series B Reset Period and making payments of dividends, rounding of amounts or tenors, and other administrative matters) for calculating such substitute or successor base rate in a manner that is consistent with market practice for such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the treasury rate; provided that, if we decide that adoption of any portion of such market practice is not administratively feasible or if we determine that no market practice for use of the substitute or successor base rate exists, the Calculation Agent will apply any such changes for calculating such substitute or successor base rate in such other manner as we determine is reasonably necessary.
- (iii) The Five-Year U.S. Treasury Rate shall be determined by the Calculation Agent on the Series B Dividend Determination Date. If the Five-Year U.S. Treasury Rate for any Series B Dividend Period cannot be determined pursuant to the methods described in the two bullet points above, the dividend rate for such Series B Dividend Period will be the same as the dividend rate determined for the immediately preceding Series B Dividend Period. Dividends on the Series B Preferred Stock will cease to accrue on the redemption date, if any, unless we default in the payment of the redemption price of the shares of the Series B Preferred Stock called for redemption.

(d) Dividends will be payable to holders of record of Series B Preferred Stock as they appear on the Corporation's books on the applicable record date, which shall be the 15th calendar day before the applicable Series B Dividend Payment Date, or such other record date, not exceeding 30 calendar days before the applicable Series B Dividend Payment Date, as shall be fixed by the Board or a duly authorized committee of the Board.

(e) Dividends payable on Series B Preferred Stock will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to the nearest cent, with one-half cent being rounded upward. Dividends on the Series B Preferred Stock will cease to accrue on the redemption date, if any, unless the Corporation defaults in the payment of the redemption price of the Series B Preferred Stock called for redemption.

(f) Dividends on the Series B Preferred Stock will not be cumulative. If the Board or a duly authorized committee of the Board does not declare a dividend on the Series B Preferred Stock in respect of a Series B Dividend Period, then no dividend shall be deemed to have accrued for such dividend period, be payable on the applicable Series B Dividend Payment Date or be cumulative, and the Corporation will have no obligation to pay any dividend for that Series B Dividend Period, whether or not the Board or a duly authorized committee of the Board declares a dividend for any future Series B Dividend Period with respect to the Series B Preferred Stock, the Corporation's Common Stock, or any other class or series of the Corporation's Preferred Stock.

(g) So long as any share of Series B Preferred Stock remains outstanding, unless the full dividends for the preceding Series B Dividend Period on all outstanding shares of Series B Preferred Stock have been paid in full or declared and a sum sufficient for the payment thereof has been set aside for payment:

(1) no dividend shall be declared or paid or set aside for payment and no distribution shall be declared or made or set aside for payment on any Series B Junior Securities, other than (i) a dividend payable solely in Series B Junior Securities or (ii) any dividend in connection with the implementation of a shareholders' rights plan, or the redemption or repurchase of any rights under any such plan;

(2) no shares of Series B Junior Securities shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation, directly or indirectly, nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Corporation (other than (i) as a result of a reclassification of Series B Junior Securities for or into other Series B Junior Securities, (ii) the exchange or

conversion of one share of Series B Junior Securities for or into another share of Series B Junior Securities, (iii) through the use of the proceeds of a substantially contemporaneous sale of other shares of Series B Junior Securities, (iv) purchases, redemptions or other acquisitions of shares of Series B Junior Securities in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants, (v) purchases of shares of Series B Junior Securities pursuant to a contractually binding requirement to buy Series B Junior Securities existing prior to the preceding Series B Dividend Period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of Series B Junior Securities pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, or (vii) the acquisition by the Corporation or any of the Corporation's subsidiaries of record ownership in junior stock for the beneficial ownership of any other persons (other than for the beneficial ownership by the Corporation or any of the Corporation's subsidiaries), including as trustees or custodians); and

(3) no shares of Series B Parity Securities shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation, directly or indirectly (nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Corporation), during a dividend period, other than (i) pursuant to *pro rata* offers to purchase all, or *pro rata* portion, of the Series B Preferred Stock and such Series B Parity Securities, if any, (ii) as a result of a reclassification of Series B Parity Securities for or into other Series B Parity Securities, (iii) the exchange or conversion of Series B Parity Securities for or into other Series B Parity Securities or Series B Junior Securities, (iv) through the use of the proceeds of a substantially contemporaneous sale of other shares of Series B Parity Securities, (v) purchases of shares of Series B Parity Securities pursuant to a contractually binding requirement to buy Series B Parity Securities existing prior to the preceding dividend period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of Series B Parity Securities pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, or (vii) the acquisition by the Corporation or any of the Corporation's subsidiaries of record ownership in Series B Parity Securities for the beneficial ownership of any other persons (other than for the beneficial ownership by the Corporation or any of the Corporation's subsidiaries), including as trustees or custodians.

(h) The Corporation will not declare or pay or set apart funds for the payment of dividends on any Series B Parity Securities unless the Corporation has paid or set apart funds for the payment of dividends on the Series B Preferred Stock. When dividends are not paid in full upon the shares of Series B Preferred Stock and any Series B Parity Securities, all dividends declared upon shares of Series B Preferred Stock and any Series B Parity Securities will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the Series B Preferred Stock, and accrued dividends, including any accumulations, on any Series B Parity Securities, bear to each other for the then-current Series B Dividend Period.

(i) Subject to the foregoing, and not otherwise, dividends (payable in cash, stock or otherwise), as may be determined by the Board or a duly authorized committee of the Board, may be declared and paid on the Common Stock and any other class or any Series B Junior Securities or Series B Parity Securities from time to time out of any assets legally available for such payment, and the holders of Series B Preferred Stock shall not be entitled to participate in any such dividend.

(j) Dividends on the Series B Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause the Corporation to fail to comply with applicable laws and regulations, including regulations and policies of the Federal Reserve.

Section 4. Liquidation.

(a) Upon any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, holders of Series B Preferred Stock are entitled to receive out of assets of the Corporation available for distribution to stockholders, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to Series B Preferred Stock, before any distribution of assets is made to holders of Common Stock or any Series B Junior Securities, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of Series B Preferred Stock will not be entitled to any other amounts from the Corporation after they have received their full liquidating distribution.

(b) In any such distribution, if the assets of the Corporation are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of Series B Preferred Stock and all holders of any Series B Parity Securities, the amounts paid to the holders of Series B Preferred Stock and to the holders of all Series B Parity Securities will be paid *pro rata* in accordance with the respective aggregate liquidating distribution owed to those holders. If the liquidation preference plus declared and unpaid dividends has been paid in full to all holders of Series B Preferred Stock and any Series B Parity Securities, the holders of the Corporation's Series B Junior Securities shall be entitled to receive all remaining assets of the Corporation according to their respective rights and preferences.

(c) For purposes of this section, the merger or consolidation of the Corporation with any other entity, including a merger or consolidation in which the holders of Series B Preferred Stock receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of the assets of the Corporation for cash, securities or other property, shall not constitute a liquidation, dissolution or winding up of the Corporation.

Section 5. Redemption.

(a) Series B Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. Series B Preferred Stock is not redeemable prior to the First Reset Date (other than pursuant to the last sentence of this paragraph). On that date, and on any Series B Dividend Payment Date, Series B Preferred Stock will be redeemable at the option of the Corporation, in whole or in part, on any Series B Dividend Payment Date, at a redemption price equal to \$1,000 per share, plus any declared and unpaid dividends. Holders of Series B Preferred Stock will have no right to require the redemption or repurchase of Series B Preferred Stock. Notwithstanding the foregoing, within 90 days following the occurrence of a Regulatory Capital Treatment Event, the Corporation, at its option, may redeem, at any time, all (but not less than all) of the shares of the Series B Preferred Stock at the time outstanding, at a redemption price equal to \$1,000 per share, plus any declared and unpaid dividends, upon notice given as provided in Subsection (b) below.

(b) If shares of Series B Preferred Stock are to be redeemed, the notice of redemption shall be sent to the holders of record of Series B Preferred Stock to be redeemed, sent not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing Series B Preferred Stock are held in book-entry form through DTC, the Corporation may give such notice in any manner permitted by DTC). Each notice of redemption will include a statement setting forth: (1) the redemption date; (2) the number of shares of Series B Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where the certificates evidencing shares of Series B Preferred Stock are to be surrendered for payment of the redemption price. On and after the redemption date, dividends will cease to accrue on shares of Series B Preferred Stock, and such shares of Series B Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares will terminate, including rights described under Section 6, except the right to receive the redemption price plus any declared and unpaid dividends.

(c) In case of any redemption of only part of the shares of Series B Preferred Stock at the time outstanding, the shares to be redeemed shall be selected *pro rata* or by lot.

(d) Any redemption of the Preferred Stock is subject to the Corporation's receipt of any required prior approval by the Federal Reserve and to the satisfaction of any conditions set forth in the capital adequacy regulations and policies of the Federal Reserve applicable to redemption of the Preferred Stock.

Section 6. Voting Rights.

(a) Except as provided below or as expressly required by law, the holders of shares of Series B Preferred Stock shall have no voting power, and no right to vote on any matter at any time, either as a separate series or class or together with any other series or class of shares of capital stock, and shall not be entitled to call a meeting of such holders for any purpose, nor shall they be entitled to participate in any meeting of the holders of the Common Stock.

(b) So long as any shares of Series B Preferred Stock remain outstanding, the affirmative vote or consent of the holders of at least two-thirds of all of the shares of Series B Preferred Stock at the time outstanding, voting separately as a class, shall be required to: (1) authorize or increase the authorized amount of, or issue shares of any class or series of stock ranking senior to the Series B Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of the Corporation, or issue any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to Series B Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of the Corporation; (2) amend the provisions of the Corporation's Amended and Restated Certificate of Incorporation, as amended, so as to adversely affect the powers, preferences, privileges or rights of Series B Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued shares of Series B Preferred Stock or authorized Common Stock or Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock ranking equally with or junior to Series B Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) or the distribution of assets upon liquidation, dissolution or winding up of the Corporation will not be deemed to adversely affect the powers, preferences, privileges or rights of Series B Preferred Stock; and (3) consummate a binding share-exchange or reclassification involving the Series B Preferred Stock, or a merger or consolidation of the Corporation with or into another entity unless (i) the shares of the Series B Preferred Stock remain outstanding or are converted into or exchanged for preference securities of the new surviving entity and (ii) the shares of the remaining Series B Preferred Stock or new preferred securities have terms that are not materially less favorable than the Series B Preferred Stock. The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Series B Preferred Stock shall have been redeemed.

(c) If the Corporation fails to pay, or declare and set apart for payment, dividends on outstanding shares of the Series B Preferred Stock for six quarterly dividend periods, whether or not consecutive, the number of directors on the Board shall be increased by two at the Corporation's first annual meeting of the shareholders held thereafter, and at such meeting and at each subsequent annual meeting until continuous noncumulative dividends for at least one year on all outstanding shares of Series B Preferred Stock entitled thereto shall have been paid, in full, the holders of shares of Series B Preferred Stock shall have the right, voting as a class with holders of any other equally ranked series of Preferred Stock that have similar voting rights, to elect such two additional members of the Corporation's Board to hold office for a term of one year; provided that the Corporation's Board shall at no time include more than two additional directors elected by holders of Series B Preferred Stock and any other equally ranked series of Preferred Stock having similar voting rights, if any, voting together as one class. Upon such payment in full, the terms of the two additional directors so elected shall forthwith terminate, and the number of directors shall be reduced by two, and such voting right of the holders of shares of Series B Preferred Stock shall cease, subject to increase in the number of directors as described above and to revesting of such voting right in the event of each and every additional failure in the payment of dividends for six quarterly dividend periods, whether or not consecutive, as described above. In addition, if and when the rights of holders of Series B Preferred Stock terminate for any reason, including under circumstances described above under Section 5, such voting rights shall terminate along with the other rights (except, if applicable, the right to receive the redemption price plus any declared and unpaid dividends as provided for in Section 5), and the terms of any additional directors elected by the holders of Series B Preferred Stock and any other equally ranked series of Preferred Stock having similar voting rights, if any, shall terminate automatically and the number of directors reduced by two, assuming that the rights of holders of such equally ranked series of Preferred Stock have similarly terminated.

Section 7. Conversion Rights. The holders of shares of Series B Preferred Stock shall not have any rights to convert such shares into shares of any other class or series of securities of the Corporation.

Section 8. Preemptive Rights. The holders of shares of Series B Preferred Stock will have no preemptive rights with respect to any shares of the Corporation's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

Section 9. Certificates. The Corporation may at its option issue shares of Series B Preferred Stock without certificates.

Section 10. Transfer Agent. The duly appointed transfer agent for the Series B Preferred Stock shall be Computershare Trust Company, N.A., collectively with Computershare Inc. The Corporation may, in its sole discretion, remove the transfer agent in accordance with the agreement between the Corporation and the transfer agent; provided that the Corporation shall appoint a successor transfer agent who shall accept such appointment prior to the effectiveness of such removal. Upon any such removal or appointment, the Corporation shall send notice thereof to the holders of the Series B Preferred Stock.

Section 11. Registrar. The duly appointed registrar for the Series B Preferred Stock shall be Computershare Trust Company, N.A., collectively with Computershare Inc. The Corporation may, in its sole discretion, remove the registrar in accordance with the agreement between the Corporation and the registrar; provided that the Corporation shall appoint a successor registrar who shall accept such appointment prior to the effectiveness of such removal.

DEPOSIT AGREEMENT

among

SYNCHRONY FINANCIAL,

COMPUTERSHARE INC. and COMPUTERSHARE TRUST COMPANY, N.A., as Depositary,

and

THE HOLDERS FROM TIME TO TIME OF

THE DEPOSITARY RECEIPTS DESCRIBED HEREIN

Dated as of February 23, 2024

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DEPOSIT AGREEMENT dated as of February 23, 2024, among (i) Synchrony Financial, a Delaware corporation, (ii) Computershare Inc., a Delaware corporation, and its wholly owned subsidiary, Computershare Trust Company, N.A., a national banking association, jointly as Depositary (as hereinafter defined); and (iii) the Holders from time to time of the Receipts described herein.

WHEREAS, it is desired to provide, as hereinafter set forth in this Deposit Agreement, for the deposit of shares of Series B Preferred Stock of the Corporation from time to time with the Depositary for the purposes set forth in this Deposit Agreement and for the issuance hereunder of Receipts evidencing Depositary Shares in respect of the Series B Preferred Stock so deposited; and

WHEREAS, the Receipts are to be substantially in the form of Exhibit A annexed hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in this Deposit Agreement;

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

ARTICLE I DEFINED TERMS

Section 1.1 Definitions.

The following definitions shall for all purposes, unless otherwise indicated, apply to the respective terms used in this Deposit Agreement:

“Certificate of Designations” shall mean the relevant Certificate of Designations with respect to Series B Preferred Stock filed with the Secretary of State of the State of Delaware establishing the Series B Preferred Stock as a series of preferred stock of the Corporation.

“Computershare” shall mean Computershare Inc., a Delaware corporation, and its successors.

“Corporation” shall mean Synchrony Financial, a Delaware corporation, and its successors.

“Deposit Agreement” shall mean this Deposit Agreement, as amended, modified or supplemented from time to time in accordance with the terms hereof.

“Depositary” shall mean, collectively, Computershare and the Trust Company, and any successor as Depositary hereunder.

“Depositary’s Agent” shall mean an agent appointed by the Depositary pursuant to Section 7.5.

“Depositary Shares” shall mean the depositary shares, each representing 1/40th of one share of the Series B Preferred Stock, and the same proportionate interest in any and all other property received by the Depositary in respect of such share of Series B Preferred Stock and held under this Deposit Agreement, all as evidenced by the Receipts issued hereunder. Subject to the

terms of this Deposit Agreement, each owner of a Depositary Share is entitled, proportionately, to all the rights, preferences and privileges of the Series B Preferred Stock represented by such Depositary Share (including the dividend, voting, redemption and liquidation rights contained in the Certificate of Designations).

“Depositary’s Office” shall mean the principal office of the Depositary at which at any particular time its depositary receipt business shall be administered, which is currently located at 150 Royall Street, Canton, Massachusetts 02021.

“Dividend Disbursing Agent” shall mean Computershare or any bank or trust company appointed to receive dividends on the deposited Series B Preferred Stock and disburse the same to the holders of Receipts, as herein provided.

“DTC” shall mean The Depository Trust Company.

“Effective Date” shall mean the date first stated above.

“Exchange Event” shall mean with respect to any Global Registered Receipt:

(1) (A) the Global Receipt Depository which is the Holder of such Global Registered Receipt or Receipts notifies the Corporation that it is no longer willing or able to properly discharge its responsibilities under any Letter of Representations or that it is no longer eligible or in good standing under the Securities Exchange Act of 1934, as amended, and (B) the Corporation has not appointed a qualified successor Global Receipt Depository within 90 calendar days after the Corporation received such notice, or

(2) the Corporation in its sole discretion notifies the Depositary in writing that the Receipts or portion thereof issued or issuable in the form of one or more Global Registered Receipts shall no longer be represented by such Global Receipt or Receipts.

“Funds” shall have the meaning set forth in Section 2.9.

“Global Receipt Depository” shall mean, with respect to any Receipt issued hereunder, DTC or such other entity designated as Global Receipt Depository by the Corporation in or pursuant to this Deposit Agreement, which entity must be, to the extent required by any applicable law or regulation, a clearing agency registered under the Securities Exchange Act of 1934, as amended.

“Global Registered Receipts” means a global registered Receipt, in definitive or book-entry form, registered in the name of a nominee of DTC.

“Letter of Representations” means any applicable agreement among the Corporation, the Depositary and a Global Receipt Depository with respect to such Global Receipt Depository’s rights and obligations with respect to any Global Registered Receipts, as the same may be amended, supplemented, restated or otherwise modified from time to time and any successor agreement thereto.

“Moody’s” shall mean Moody’s Investors Service, Inc.

“Officer’s Certificate” shall mean a certificate in substantially the form set forth as Exhibit B hereto, which is signed by an officer of the Corporation and which shall include the terms and conditions of the Series B Preferred Stock to be issued by the Corporation and deposited with the Depository from time to time in accordance with the terms hereof.

“Receipt” shall mean one of the depository receipts issued hereunder, substantially in the form set forth as Exhibit A hereto, whether in definitive or temporary form, and evidencing the number of Depository Shares with respect to the Series B Preferred Stock held of record by the Record Holder of such Depository Shares.

“Record Holder” or “Holder” as applied to a Receipt shall mean the person in whose name such Receipt is registered on the books of the Depository maintained for such purpose.

“Redemption Agent” shall mean the Depository or any bank or trust company appointed to receive redemption proceeds on the deposited Series B Preferred Stock and to disburse the same to the holders of the Receipts, as herein provided.

“Redemption Date” shall have the meaning set forth in Section 2.8.

“Registrar” shall mean the Depository or such other successor bank or trust company which shall be appointed by the Corporation to register ownership and transfers of Receipts and the deposited Series B Preferred Stock as herein provided; and if a successor Registrar shall be so appointed, references herein to “the books” of or maintained by the Depository shall be deemed, as applicable, to refer as well to the register maintained by such Registrar for such purpose.

“S&P” means S&P Global Ratings.

“Securities Act” shall mean the Securities Act of 1933, as amended.

“Series B Preferred Stock” shall mean the shares of the Corporation’s 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock Series B, with a liquidation preference of \$1,000 per share, designated in the Certificate of Designations and described in the Officer’s Certificate delivered pursuant to Section 2.2 hereof.

“Transfer Agent” shall mean the Depository or such other successor bank or trust company which shall be appointed by the Corporation to transfer the Receipts and the deposited Series B Preferred Stock, as herein provided.

“Trust Company” shall mean Computershare Trust Company, N.A., a national banking association.

ARTICLE II

FORM OF RECEIPTS, DEPOSIT OF SERIES B PREFERRED STOCK, EXECUTION AND DELIVERY, TRANSFER, SURRENDER AND REDEMPTION OF RECEIPTS

Section 2.1 Form and Transfer of Receipts.

The definitive Receipts shall be substantially in the form set forth in Exhibit A annexed to this Deposit Agreement, with appropriate insertions, modifications and omissions, as hereinafter provided and shall be engraved or otherwise prepared so as to comply with applicable rules of the New York Stock Exchange or its successor. Pending the preparation of definitive Receipts, the Depositary, upon the written order of the Corporation, delivered in compliance with Section 2.2, shall execute and deliver temporary Receipts which may be printed, lithographed, typewritten, mimeographed or otherwise substantially of the tenor of the definitive Receipts in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the persons executing such Receipts may determine, as evidenced by their execution of such Receipts. If temporary Receipts are issued, the Corporation and the Depositary will cause definitive Receipts to be prepared without unreasonable delay. After the preparation of definitive Receipts, the temporary Receipts shall be exchangeable for definitive Receipts upon surrender of the temporary Receipts at an office described in the penultimate paragraph of Section 2.2, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Receipts, the Depositary shall execute and deliver, in exchange therefor, definitive Receipts representing the same number of Depositary Shares as represented by the surrendered temporary Receipt or Receipts. Such exchange shall be made at the Corporation's expense and without any charge therefor. Until so exchanged, the temporary Receipts shall in all respects be entitled to the same benefits under this Deposit Agreement as definitive Receipts.

Receipts shall be executed by the Depositary by the manual or facsimile signature of a duly authorized officer of the Depositary. No Receipt shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose unless it shall have been executed manually or by facsimile signature by a duly authorized officer of the Depositary or, if a Registrar for the Receipts (other than the Depositary) shall have been appointed, by manual or facsimile signature of a duly authorized officer of the Depositary and countersigned by manual or facsimile signature by a duly authorized officer of such Registrar. The Depositary shall record on its books each Receipt so signed and delivered as hereinafter provided.

Receipts shall be in denominations of any number of whole Depositary Shares. All Receipts shall be dated the date of their issuance.

Receipts may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Deposit Agreement all as may be required by the Depositary and approved by the Corporation or as required to comply with any applicable law or any regulation thereunder or with the rules and regulations of any securities exchange upon which the Series B Preferred Stock, the Depositary Shares or the Receipts may be listed or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Receipts are subject.

Title to Depositary Shares evidenced by a Receipt which is properly endorsed or accompanied by a properly executed instrument of transfer, shall be transferable by delivery with the same effect as in the case of a negotiable instrument in accordance with the Depositary's procedures; provided, however, that until transfer of any particular Receipt shall be registered on the books of the Depositary as provided in Section 2.3, the Depositary may, notwithstanding any notice to the contrary, treat the Record Holder thereof at such time as the absolute owner thereof for the purpose of determining the person entitled to distributions of dividends or other distributions or to any notice provided for in this Deposit Agreement and for all other purposes.

The Corporation shall provide an opinion of counsel to the Depository at the Effective Date in form and substance reasonably satisfactory to the Depository containing opinions relating to, (A) the existence and good standing of the Corporation, (B) the due authorization of the Depository Shares and the status of the Depository Shares as validly issued, fully paid and non-assessable, and (C) the effectiveness of any registration statement under the Securities Act relating to the Depository Shares or whether exemption from such registration is applicable.

Section 2.2 Deposit of Series B Preferred Stock; Execution and Delivery of Receipts in Respect Thereof.

Subject to the terms and conditions of this Deposit Agreement, the Corporation may from time to time deposit shares of Series B Preferred Stock under this Deposit Agreement by delivering to the Depository, including via electronic book-entry, such shares of Series B Preferred Stock to be deposited, properly endorsed or accompanied, if applicable and required by the Depository, by a duly executed instrument of transfer or endorsement, in form satisfactory to the Depository, together with all such certifications as may be required by the Depository in accordance with the provisions of this Deposit Agreement and an executed Officer's Certificate attaching the Certificate of Designations and all other information required to be set forth therein, and together with a written order of the Corporation directing the Depository to execute and deliver to, or upon the written order of, the person or persons stated in such order a Receipt or Receipts evidencing in the aggregate the number of Depository Shares representing such deposited Series B Preferred Stock. Each Officer's Certificate delivered to the Depository in accordance with the terms of this Deposit Agreement shall be deemed to be incorporated into this Deposit Agreement and shall be binding on the Corporation, the Depository and the Holders of Receipts to which such Officer's Certificate relates.

The Series B Preferred Stock that is deposited shall be held by the Depository at the Depository's Office or at such other place or places as the Depository shall determine. The Depository shall not lend any Series B Preferred Stock deposited hereunder.

Upon receipt by the Depository of Series B Preferred Stock deposited in accordance with the provisions of this Section, together with the other documents required as above specified, and upon recordation of the Series B Preferred Stock on the books of the Corporation (or its duly appointed transfer agent) in the name of the Depository or its nominee, the Depository, subject to the terms and conditions of this Deposit Agreement, shall execute and deliver to or upon the order of the person or persons named in the written order delivered to the Depository referred to in the first paragraph of this Section, a Receipt or Receipts evidencing in the aggregate the number of Depository Shares representing the Series B Preferred Stock so deposited and registered in such name or names as may be requested by such person or persons. The Depository shall execute and deliver such Receipt or Receipts at the Depository's Office or such other offices, if any, as the Depository may designate. Delivery at other offices shall be at the risk and expense of the person requesting such delivery.

Section 2.3 Registration of Transfer of Receipts.

Subject to the terms and conditions of this Deposit Agreement, the Depositary shall register on its books from time to time transfers of Receipts upon any surrender thereof by the Holder in person or by duly authorized attorney, properly endorsed or accompanied by a properly executed instrument of transfer which shall be affixed with the signature guarantee of a guarantor institution which is a participant in a signature guarantee program approved by the Securities Transfer Association, and any other evidence of authority that may be reasonably required by the Depositary, together with evidence of the payment by the applicable party of any taxes or charges as may be required by law. Thereupon, the Depositary shall execute a new Receipt or Receipts evidencing the same aggregate number of Depositary Shares as those evidenced by the Receipt or Receipts surrendered and deliver such new Receipt or Receipts to or upon the order of the person entitled thereto.

The Depositary shall not be required (a) to issue, transfer or exchange any Receipts for a period beginning at the opening of business 30 days next preceding any selection of Depositary Shares and Series B Preferred Stock to be redeemed and ending at the close of business on the day of the sending of notice of redemption, or (b) to transfer or exchange for another Receipt any Receipt called or being called for redemption in whole or in part except as provided in [Section 2.8](#).

Section 2.4 Split-ups and Combinations of Receipts; Surrender of Receipts and Withdrawal of Series B Preferred Stock.

Upon surrender of a Receipt or Receipts at the Depositary's Office or at such other offices as it may designate for the purpose of effecting a split-up or combination of such Receipt or Receipts, and subject to the terms and conditions of this Deposit Agreement, the Depositary shall execute a new Receipt or Receipts in the authorized denomination or denominations requested, evidencing the aggregate number of Depositary Shares evidenced by the Receipt or Receipts surrendered, and shall deliver such new Receipt or Receipts to or upon the order of the Holder of the Receipt or Receipts so surrendered.

Any Holder of a Receipt or Receipts may withdraw the number of whole shares of Series B Preferred Stock and all money and other property, if any, represented thereby by surrendering such Receipt or Receipts at the Depositary's Office or at such other offices as the Depositary may designate for such withdrawals. Thereafter, without unreasonable delay, the Depositary shall deliver to such Holder, or to the person or persons designated by such Holder as hereinafter provided, the number of whole shares of Series B Preferred Stock and all money and other property, if any, represented by the Receipt or Receipts so surrendered for withdrawal, but Holders of such whole shares of Series B Preferred Stock will not thereafter be entitled to deposit such Series B Preferred Stock hereunder or to receive a Receipt evidencing Depositary Shares therefor. If a Receipt delivered by the Holder to the Depositary in connection with such withdrawal shall evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of whole shares of Series B Preferred Stock, the Depositary shall at the same time, in addition to such number of whole shares of Series B Preferred Stock and such money and other property, if any, to be so withdrawn, deliver to such Holder, or subject to [Section 2.3](#) upon his order, a new Receipt evidencing such excess number of Depositary Shares.

In no event will fractional shares of Series B Preferred Stock (or any cash payment in lieu thereof) be delivered by the Depositary. Delivery of the Series B Preferred Stock and money and other property, if any, being withdrawn may be made by the delivery of such certificates, documents of title and other instruments as the Depositary may deem appropriate.

If the Series B Preferred Stock and the money and other property, if any, being withdrawn are to be delivered to a person or persons other than the Record Holder of the related Receipt or Receipts being surrendered for withdrawal of such Series B Preferred Stock, such Holder shall execute and deliver to the Depository a written order so directing the Depository and the Depository may require that the Receipt or Receipts surrendered by such Holder for withdrawal of such shares of Series B Preferred Stock be properly endorsed in blank or accompanied by a properly executed instrument of transfer in blank.

Delivery of the Series B Preferred Stock and the money and other property, if any, represented by Receipts surrendered for withdrawal shall be made by the Depository at the Depository's Office, except that, at the request, risk and expense of the Holder surrendering such Receipt or Receipts and for the account of the Holder thereof, such delivery may be made at such other place as may be designated by such Holder.

Section 2.5 Limitations on Execution and Delivery, Transfer, Surrender and Exchange of Receipts.

As a condition precedent to the execution and delivery, registration of transfer, split-up, combination, surrender or exchange of any Receipt, the Depository, any of the Depository's Agents or the Corporation may require payment to it of a sum sufficient for the payment (or, in the event that the Depository or the Corporation shall have made such payment, the reimbursement to it) of any charges or expenses payable by the Holder of a Receipt pursuant to Section 5.7, may require the production of evidence satisfactory to it as to the identity and genuineness of any signature, and may also require compliance with such regulations, if any, as the Depository or the Corporation may establish consistent with the provisions of this Deposit Agreement and/or applicable law.

The deposit of the Series B Preferred Stock may be refused, the delivery of Receipts against Series B Preferred Stock may be suspended, the registration of transfer of Receipts may be refused and the registration of transfer, surrender or exchange of outstanding Receipts may be suspended (i) during any period when the register of stockholders of the Corporation is closed or (ii) if any such action is deemed necessary or advisable by the Depository, any of the Depository's Agents or the Corporation at any time or from time to time because of any requirement of law or of any government or governmental body or commission or under any provision of this Deposit Agreement.

Section 2.6 Lost Receipts, etc.

In case any Receipt shall be mutilated, destroyed, lost or stolen, the Depository in its discretion may execute and deliver a Receipt of like form and tenor in exchange and substitution for such mutilated Receipt upon cancellation thereof, or in lieu of and in substitution for such destroyed, lost or stolen Receipt, upon (i) the filing by the Holder thereof with the Depository of evidence satisfactory to the Depository of such destruction or loss or theft of such Receipt, of the authenticity thereof and of his or her ownership thereof, (ii) the Holder thereof furnishing the Depository with an affidavit and a bond satisfactory to the Depository, and (iii) the payment of any

reasonable expense (including reasonable fees, charges and expenses of the Depository) in connection with such execution and delivery. Applicants for such substitute Receipts shall also comply with such other reasonable regulations and pay such other reasonable charges as the Depository may prescribe and as required by Section 8-405 of the Uniform Commercial Code.

Section 2.7 Cancellation and Destruction of Surrendered Receipts.

All Receipts surrendered to the Depository or any Depository's Agent shall be cancelled by the Depository. Except as prohibited by applicable law or regulation, the Depository is authorized and directed to destroy all Receipts so cancelled.

Section 2.8 Redemption of Series B Preferred Stock.

Whenever the Corporation shall be permitted and shall elect to redeem shares of Series B Preferred Stock in accordance with the terms of the Certificate of Designations (including on account of a Regulatory Capital Treatment Event, as described therein), it shall (unless otherwise agreed to in writing with the Depository) give or cause to be given to the Depository, not less than 35 days and not more than 60 days prior to the Redemption Date (as defined below), notice of such redemption, which shall state: (i) the Redemption Date; (ii) the number of shares of Series B Preferred Stock to be redeemed and, if less than all the shares of Series B Preferred Stock are to be redeemed, the number of such shares of Series B Preferred Stock held by the Depository to be so redeemed; (iii) the redemption price; and (iv) the place or places where the certificates evidencing shares of Series B Preferred Stock, if any, are to be surrendered for payment of the redemption price. In case less than all the outstanding shares of Series B Preferred Stock are to be redeemed, the shares of Series B Preferred Stock to be so redeemed shall be selected either pro rata or by lot or in such other manner determined by the Corporation to be fair and equitable. On the date of such redemption, the Depository shall redeem the number of Depository Shares representing such Series B Preferred Stock, provided that the Corporation shall then have paid or caused to be paid in full to Computershare the redemption price of the Series B Preferred Stock to be redeemed, plus an amount equal to any declared and unpaid dividends thereon to the date fixed for redemption in accordance with the provisions of the Certificate of Designations. The Depository shall send notice of the Corporation's redemption of Series B Preferred Stock and the proposed simultaneous redemption of the number of Depository Shares representing the Series B Preferred Stock to be redeemed by a reasonably acceptable transmission method, not less than 30 days and not more than 60 days prior to the date fixed for redemption of such Series B Preferred Stock and Depository Shares (the "Redemption Date"), to the Record Holders of the Receipts evidencing the Depository Shares to be so redeemed at their respective last addresses as they appear on the records of the Depository; but neither failure to send any such notice of redemption of Depository Shares to one or more such Holders nor any defect in any notice of redemption of Depository Shares to one or more such Holders shall affect the sufficiency of the proceedings for redemption as to the other Holders.

Notice having been transmitted by the Depository as aforesaid, from and after the Redemption Date (unless the Corporation shall have failed to provide the Funds necessary to redeem the Series B Preferred Stock evidenced by the Depository Shares called for redemption) (i) dividends on the shares of Series B Preferred Stock so called for redemption shall cease to accrue from and after such date and all shares of Series B Preferred Stock called for redemption

shall cease to be outstanding and any rights with respect to such shares shall cease and terminate (except for the right to receive the redemption price without interest), (ii) the Depositary Shares being redeemed from such proceeds shall be deemed no longer to be outstanding, (iii) all rights of the Holders of Receipts evidencing such Depositary Shares (except the right to receive the redemption price without interest) shall, to the extent of such Depositary Shares, cease and terminate, and (iv) upon surrender in accordance with such redemption notice of the Receipts evidencing any such Depositary Shares called for redemption (properly endorsed or assigned for transfer, if the Depositary or applicable law shall so require), such Depositary Shares shall be redeemed by the Depositary at a redemption price per Depositary Share equal to 1/40th of the redemption price per share of Series B Preferred Stock so redeemed plus all money and other property, if any, represented by such Depositary Shares, including all amounts declared and paid by the Corporation in respect of dividends in accordance with the provisions of the Certificate of Designations.

If fewer than all of the Depositary Shares evidenced by a Receipt are called for redemption, the Depositary will deliver to the Holder of such Receipt upon its surrender to the Depositary, together with the redemption payment, a new Receipt evidencing the Depositary Shares evidenced by such prior Receipt and not called for redemption. In any such case, the Corporation shall redeem Depositary Shares only in increments of 10 Depositary Shares and any multiple thereof.

Section 2.9 Bank Accounts.

All funds received by Computershare under this Deposit Agreement that are to be distributed or applied by Computershare in the performance of services hereunder (the "Funds") shall be held by Computershare as agent for the Corporation and deposited in one or more bank accounts to be maintained by Computershare in its name as agent for the Corporation. Until paid pursuant to this Deposit Agreement, Computershare may hold or invest the Funds through such accounts in: (i) obligations of, or guaranteed by, the United States of America, (ii) commercial paper obligations rated A-1 or P-1 or better by S&P or Moody's, respectively, (iii) money market funds that comply with Rule 2a-7 of the Investment Company Act of 1940, or (iv) demand deposit accounts, short term certificates of deposit, bank repurchase agreements or bankers' acceptances, of commercial banks with Tier 1 capital exceeding \$1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody's (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). Computershare shall have no responsibility or liability for any diminution of the Funds that may result from any deposit or investment made by Computershare in accordance with this paragraph, including any losses resulting from a default by any bank, financial institution or other third party. Computershare may from time to time receive interest, dividends or other earnings in connection with such deposits or investments. Computershare shall not be obligated to pay such interest, dividends or earnings to the Corporation, any holder or any other party.

Section 2.10 Receipts Issuable in Global Registered Form.

If the Corporation shall determine in a writing delivered to the Depositary that the Receipts are to be issued in whole or in part in the form of one or more Global Registered Receipts, then the Depositary shall, in accordance with the other provisions of this Deposit Agreement, execute and deliver one or more Global Registered Receipts evidencing such Receipts, which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, the Receipts to be represented by such Global Registered Receipt or Receipts and (ii) shall be registered in the name of the Global Receipt Depositary therefor or its nominee.

Notwithstanding any other provision of this Deposit Agreement to the contrary, unless otherwise provided in the Global Registered Receipt, a Global Registered Receipt may only be transferred in whole and only by the applicable Global Receipt Depository for such Global Registered Receipt to a nominee of such Global Receipt Depository, or by a nominee of such Global Receipt Depository to such Global Receipt Depository or another nominee of such Global Receipt Depository, or by such Global Receipt Depository or any such nominee to a successor Global Receipt Depository for such Global Registered Receipt selected or approved by the Corporation or to a nominee of such successor Global Receipt Depository. Except as provided below, owners solely of beneficial interests in a Global Registered Receipt shall not be entitled to receive physical delivery of the Receipts represented by such Global Registered Receipt. Neither any such beneficial owner nor any direct or indirect participant of a Global Receipt Depository shall have any rights under this Deposit Agreement with respect to any Global Registered Receipt held on their behalf by a Global Receipt Depository and such Global Receipt Depository may be treated by the Corporation, the Depository and any director, officer, employee or agent of the Corporation or the Depository as the holder of such Global Registered Receipt for all purposes whatsoever. Unless and until definitive Receipts are delivered to the owners of the beneficial interests in a Global Registered Receipt, (1) the applicable Global Receipt Depository will make book-entry transfers among its participants and receive and transmit all payments and distributions in respect of the Global Registered Receipts to such participants, in each case, in accordance with its applicable procedures and arrangements, and (2) whenever any notice, payment or other communication to the holders of Global Registered Receipts is required under this Deposit Agreement, the Corporation and the Depository or Computershare, as appropriate, shall give all such notices, payments and communications specified herein to be given to such holders to the applicable Global Receipt Depository.

If an Exchange Event has occurred with respect to any Global Registered Receipt, then, in any such event, the Depository shall, upon receipt of a written order from the Corporation for the execution and delivery of individual definitive registered Receipts in exchange for such Global Registered Receipt, execute and deliver, individual definitive registered Receipts, in authorized denominations and of like tenor and terms in an aggregate principal amount equal to the principal amount of the Global Registered Receipt in exchange for such Global Registered Receipt.

Definitive registered Receipts issued in exchange for a Global Registered Receipt pursuant to Section 2.10 shall be registered in such names and in such authorized denominations as the Global Receipt Depository for such Global Registered Receipt, pursuant to instructions from its participants, shall instruct the Depository in writing. The Depository shall deliver such Receipts to the persons in whose names such Receipts are so registered.

Notwithstanding anything to the contrary in this Deposit Agreement, should the Corporation determine that the Receipts should be issued as a Global Registered Receipt, the parties hereto shall comply with the terms of any Letter of Representations.

ARTICLE III

CERTAIN OBLIGATIONS OF HOLDERS OF RECEIPTS AND THE CORPORATION

Section 3.1 Filing Proofs, Certificates and Other Information.

Any Holder of a Receipt may be required from time to time to file such proof of residence, or other matters or other information, to execute such certificates and to make such representations and warranties as the Depositary or the Corporation may reasonably deem necessary or proper. The Depositary or the Corporation may withhold the delivery, or delay the registration of transfer or redemption, of any Receipt or the withdrawal of the Series B Preferred Stock represented by the Depositary Shares and evidenced by a Receipt or the distribution of any dividend or other distribution or the sale of any rights or of the proceeds thereof until such proof or other information is filed or such certificates are executed or such representations and warranties are made.

Section 3.2 Payment of Taxes or Other Governmental Charges.

Holders of Receipts shall be obligated to make payments to the Depositary of certain charges, taxes and expenses, as provided in Section 5.7. Registration of transfer of any Receipt or any withdrawal of Series B Preferred Stock and all money or other property, if any, represented by the Depositary Shares evidenced by such Receipt may be refused until any such payment due is made, and any dividends, interest payments or other distributions may be withheld or any part of or all the Series B Preferred Stock or other property represented by the Depositary Shares evidenced by such Receipt and not theretofore sold may be sold for the account of the Holder thereof (after attempting by reasonable means to notify such Holder prior to such sale), and such dividends, interest payments or other distributions or the proceeds of any such sale may be applied to any payment of such charges or expenses, the Holder of such Receipt remaining liable for any deficiency.

Section 3.3 Warranty as to Series B Preferred Stock.

The Corporation hereby represents and warrants that the Series B Preferred Stock, when issued, will be duly authorized, validly issued, fully paid and nonassessable. Such representation and warranty shall survive the deposit of the Series B Preferred Stock and the issuance of the related Receipts.

Section 3.4 Warranty as to Receipts.

The Corporation hereby represents and warrants that the Receipts, when issued, will represent legal and valid interests in the Series B Preferred Stock. Such representation and warranty shall survive the deposit of the Series B Preferred Stock and the issuance of the Receipts.

ARTICLE IV
THE DEPOSITED SECURITIES; NOTICES

Section 4.1 Cash Distributions.

Whenever Computershare shall receive any cash dividend or other cash distribution on the Series B Preferred Stock, Computershare shall, subject to Sections 3.1 and 3.2, distribute to Record Holders of Receipts on the record date fixed pursuant to Section 4.4 such amounts of such dividend or distribution as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such Holders; provided, however, that in case the Corporation or Computershare shall be required to withhold and shall withhold from any cash dividend or other cash distribution in respect of the Series B Preferred Stock an amount on account of taxes, the amount made available for distribution or distributed in respect of Depositary Shares shall be reduced accordingly. Computershare shall distribute or make available for distribution, as the case may be, only such amount, however, as can be distributed without attributing to any Holder of Receipts a fraction of one cent. Each Holder of a Receipt shall provide the Depositary with its certified tax identification number on a properly completed Form W-8 or W-9, as may be applicable. Each Holder of a Receipt acknowledges that, in the event of non-compliance with the preceding sentence, the Internal Revenue Code of 1986, as amended, may require withholding by the Corporation or Computershare of a portion of any of the distributions to be made hereunder.

Section 4.2 Distributions Other than Cash, Rights, Preferences or Privileges.

Whenever the Depositary shall receive any distribution other than cash, rights, preferences or privileges upon the Series B Preferred Stock, the Depositary shall, at the direction of the Corporation, subject to Sections 3.1 and 3.2, distribute to Record Holders of Receipts on the record date fixed pursuant to Section 4.4 such amounts of the securities or property received by it as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by such Receipts held by such Holders, in any manner that the Depositary may deem equitable and practicable for accomplishing such distribution. If in the opinion of the Depositary such distribution cannot be made proportionately among such Record Holders in accordance with the direction of the Corporation, or if for any other reason (including any requirement that the Corporation or the Depositary withhold an amount on account of taxes) the Depositary deems, after consultation with the Corporation, such distribution not to be feasible, the Depositary may, with the approval of the Corporation, adopt such method as it deems equitable and practicable for the purpose of effecting such distribution, including the sale (at public or private sale) of the securities or property thus received, or any part thereof, in a commercially reasonable manner. The net proceeds of any such sale shall, subject to Sections 3.1 and 3.2, be distributed or made available for distribution, as the case may be, by Computershare to Record Holders of Receipts as provided by Section 4.1 in the case of a distribution received in cash. The Corporation shall not make any distribution of such securities or property to the Depositary and the Depositary shall not make any distribution of such securities or property to the Holders of Receipts unless the Corporation shall have provided an opinion of counsel stating that such securities or property have been registered under the Securities Act or do not need to be registered in connection with such distributions.

Section 4.3 Subscription Rights, Preferences or Privileges.

If the Corporation shall at any time offer or cause to be offered to the persons in whose names the Series B Preferred Stock is recorded on the books of the Corporation any rights, preferences or privileges to subscribe for or to purchase any securities or any rights, preferences or privileges of any other nature, such rights, preferences or privileges shall in each such instance be communicated promptly to the Depositary and thereafter such rights, options or privileges shall

be made available by the Depositary to the Record Holders of Receipts in such manner as the Corporation shall instruct the Depositary in writing, either by the issue to such Record Holders of warrants representing such rights, preferences or privileges or by such other method as may be approved by the Depositary in its discretion with the approval of the Corporation; provided, however, that (i) if at the time of issue or offer of any such rights, preferences or privileges the Depositary determines that it is not lawful or (after consultation with the Corporation) not feasible to make such rights, preferences or privileges available to Holders of Receipts by the issue of warrants or otherwise, or (ii) if and to the extent so instructed by Holders of Receipts who do not desire to exercise such rights, preferences or privileges, then the Depositary, in its discretion (with approval of the Corporation, in any case where the Depositary has determined that it is not feasible to make such rights, preferences or privileges available), may, if applicable laws or the terms of such rights, preferences or privileges permit such transfer, sell such rights, preferences or privileges at public or private sale, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall, subject to Sections 3.1 and 3.2, be distributed by the Depositary to the Record Holders of Receipts entitled thereto as provided by Section 4.1 in the case of a distribution received in cash. The Depositary shall not make any distribution of such rights, preferences or privileges, unless the Corporation shall have provided to the Depositary an opinion of counsel stating that such rights, preferences or privileges have been registered under the Securities Act or do not need to be registered.

The Corporation shall notify the Depositary whether registration under the Securities Act of the securities to which any rights, preferences or privileges relate is required in order for Holders of Receipts to be offered or sold the securities to which such rights, preferences or privileges relate, and the Corporation agrees with the Depositary that it will file promptly a registration statement pursuant to the Securities Act with respect to such rights, preferences or privileges and securities and use its best efforts and take all steps available to it to cause such registration statement to become effective sufficiently in advance of the expiration of such rights, preferences or privileges to enable such Holders to exercise such rights, preferences or privileges. In no event shall the Depositary make available to the Holders of Receipts any right, preference or privilege to subscribe for or to purchase any securities unless and until such registration statement shall have become effective, or the Corporation shall have provided to the Depositary an opinion of counsel to the effect that the offering and sale of such securities to the Holders are exempt from registration under the provisions of the Securities Act.

The Corporation shall notify the Depositary whether any other action under the laws of any jurisdiction or any governmental or administrative authorization, consent or permit is required in order for such rights, preferences or privileges to be made available to Holders of Receipts, and the Corporation agrees with the Depositary that the Corporation will use its reasonable best efforts to take such action or obtain such authorization, consent or permit sufficiently in advance of the expiration of such rights, preferences or privileges to enable such Holders to exercise such rights, preferences or privileges.

Section 4.4 Notice of Dividends, etc.; Fixing Record Date for Holders of Receipts.

Whenever any cash dividend or other cash distribution shall become payable or any distribution other than cash shall be made, or if rights, preferences or privileges shall at any time be offered, with respect to the Series B Preferred Stock, or whenever the Depository shall receive notice of any meeting at which holders of the Series B Preferred Stock are entitled to vote or of which holders of the Series B Preferred Stock are entitled to notice, or whenever the Depository and the Corporation shall decide it is appropriate, the Depository shall in each such instance fix a record date (which shall be the same date as the record date fixed by the Corporation with respect to or otherwise in accordance with the terms of the Series B Preferred Stock) for the determination of the Holders of Receipts who shall be entitled to receive such dividend, distribution, rights, preferences or privileges or the net proceeds of the sale thereof, or to give instructions for the exercise of voting rights at any such meeting, or who shall be entitled to notice of such meeting or for any other appropriate reasons.

Section 4.5 Voting Rights.

Subject to the provisions of the Certificate of Designations, upon receipt of notice of any meeting at which the holders of the Series B Preferred Stock are entitled to vote, the Depository shall, as soon as practicable thereafter, send to the Record Holders of Receipts a notice prepared by the Corporation which shall contain (i) such information as is contained in such notice of meeting and (ii) a statement that the Holders may, subject to any applicable restrictions, instruct the Depository as to the exercise of the voting rights pertaining to the amount of Series B Preferred Stock represented by their respective Depository Shares (including an express indication that instructions may be given to the Depository to give a discretionary proxy to a person designated by the Corporation) and a brief statement as to the manner in which such instructions may be given. Upon the written request of the Holders of Receipts on the relevant record date, the Depository shall endeavor insofar as practicable to vote or cause to be voted, in accordance with the instructions set forth in such requests, the maximum number of whole shares of Series B Preferred Stock represented by the Depository Shares evidenced by all Receipts as to which any particular voting instructions are received. The Corporation hereby agrees to take all reasonable action which may be deemed necessary by the Depository in order to enable the Depository to vote such Series B Preferred Stock or cause such Series B Preferred Stock to be voted. In the absence of specific instructions from the Holder of a Receipt, the Depository will not vote (but, at its discretion, may appear at any meeting with respect to such Series B Preferred Stock unless directed to the contrary by the Holders of all the Receipts) to the extent of the Series B Preferred Stock represented by the Depository Shares evidenced by such Receipt.

Section 4.6 Changes Affecting Deposited Securities and Reclassifications, Recapitalizations, etc.

Upon any change in par or stated value, split-up, combination or any other reclassification of the Series B Preferred Stock, subject to the provisions of the Certificate of Designations, or upon any recapitalization, reorganization, merger or consolidation affecting the Corporation or to which it is a party, the Depository may in its discretion with the approval of, and shall upon the instructions of, the Corporation, and (in either case) in such manner as the Depository may deem equitable, (i) make such adjustments as are certified by the Corporation in the fraction of an interest represented by one Depository Share in one share of Series B Preferred Stock and in the ratio of the redemption price per Depository Share to the redemption price per share of Series B Preferred Stock, in each case as may be necessary fully to reflect the effects of such change in par or stated value, split-up, combination or other reclassification of the Series B Preferred Stock, or of such recapitalization, reorganization, merger or consolidation and (ii) treat any securities which shall

be received by the Depositary in exchange for or upon conversion of or in respect of the Series B Preferred Stock as new deposited securities so received in exchange for or upon conversion of or in respect of such Series B Preferred Stock. In any such case the Depositary may in its discretion, with the approval of the Corporation, execute and deliver additional Receipts or may call for the surrender of all outstanding Receipts to be exchanged for new Receipts specifically describing such new deposited securities. Anything to the contrary herein notwithstanding, Holders of Receipts shall have the right from and after the effective date of any such change in par or stated value, split-up, combination or other reclassification of the Series B Preferred Stock or any such recapitalization, reorganization, merger or consolidation to surrender such Receipts to the Depositary with instructions to convert, exchange or surrender the Series B Preferred Stock represented thereby only into or for, as the case may be, the kind and amount of shares and other securities and property and cash into which the Series B Preferred Stock represented by such Receipts might have been converted or for which such Series B Preferred Stock might have been exchanged or surrendered immediately prior to the effective date of such transaction.

Section 4.7 Delivery of Reports.

The Depositary shall furnish to Holders of Receipts any reports and communications received from the Corporation which is received by the Depositary and which the Corporation is required to furnish to the holders of the Series B Preferred Stock.

Section 4.8 Lists of Receipt Holders.

Reasonably promptly upon request from time to time by the Corporation, at the sole expense of the Corporation, the Depositary shall furnish to it a list, as of the most recent practicable date, of the names, addresses and holdings of Depositary Shares of all registered Holders of Receipts.

**ARTICLE V
THE DEPOSITARY, THE DEPOSITARY'S AGENTS, THE REGISTRAR AND THE CORPORATION**

Section 5.1 Appointment; Maintenance of Offices, Agencies and Transfer Books by the Depositary; Registrar.

The Corporation hereby appoints the Depositary as depositary for the Series B Preferred Stock, and the Depositary hereby accepts such appointment, on the express terms and conditions set forth in this Deposit Agreement.

Upon execution of this Deposit Agreement, the Registrar shall maintain at the Depositary's Office, facilities for the execution and delivery, registration and registration of transfer, surrender and exchange of Receipts, and at the offices of the Depositary's Agents, if any, facilities for the delivery, registration of transfer, surrender and exchange of Receipts, all in accordance with the provisions of this Deposit Agreement.

The Registrar shall keep books at the Depository's Office for the registration and registration of transfer of Receipts, which books at all reasonable times during regular business hours shall be open for inspection by the Record Holders of Receipts; provided that any such Holder requesting to exercise such right shall certify to the Registrar that such inspection shall be for a proper purpose reasonably related to such Holder's interest as an owner of Depository Shares evidenced by the Receipts.

The Registrar may close such books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties hereunder, or because of any requirement of law or of any government, governmental body or commission, stock exchange or any applicable self-regulatory body.

The Depository may, with the approval of the Corporation, appoint a Registrar for registration of the Receipts or the Depository Shares evidenced thereby. If the Receipts or the Depository Shares evidenced thereby or the Series B Preferred Stock represented by such Depository Shares shall be listed on one or more national securities exchanges, the Depository will appoint a Registrar (acceptable to the Corporation) for registration of the Receipts or Depository Shares in accordance with any requirements of such exchange. Such Registrar (which may be the Depository if so permitted by the requirements of any such exchange) may be removed and a substitute Registrar appointed by the Depository upon the request or with the approval of the Corporation. If the Receipts, Depository Shares or Series B Preferred Stock are listed on one or more other securities exchanges, the Depository will, at the request of the Corporation, arrange such facilities for the delivery, registration or registration of transfer, surrender and exchange of the Receipts, Depository Shares or Series B Preferred Stock as may be required by law or applicable securities exchange regulation.

Section 5.2 Prevention of or Delay in Performance by the Depository, the Depository's Agents, the Registrar or the Corporation.

Neither the Depository nor any Depository's Agent nor any Registrar, Transfer Agent nor the Corporation shall incur any liability to any Holder of a Receipt if by reason of any provision of any present or future law, or regulation thereunder, of the United States of America or of any other governmental authority or, in the case of the Depository, the Depository's Agent or the Registrar or any Transfer Agent by reason of any provision, present or future, of the Corporation's Amended and Restated Certificate of Incorporation, as amended (including the Certificate of Designations), or by reason of any act of God or war or other circumstance beyond the control of the relevant party, the Depository, the Depository's Agent, any Transfer Agent, the Registrar or the Corporation shall be prevented or forbidden from, or subjected to any penalty on account of, doing or performing any act or thing which the terms of this Deposit Agreement provide shall be done or performed; nor shall the Depository, any Depository's Agent, any Registrar, Transfer Agent or the Corporation incur liability to any Holder of a Receipt (i) by reason of any nonperformance or delay, caused as aforesaid, in the performance of any act or thing which the terms of this Deposit Agreement shall provide shall or may be done or performed, or (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement except as otherwise explicitly set forth in this Deposit Agreement.

Section 5.3 Obligations of the Depositary, the Depositary's Agents, the Registrar and the Corporation.

Neither the Depositary nor any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent, Dividend Disbursing Agent nor the Corporation assumes any obligation or shall be subject to any liability under this Deposit Agreement to Holders of Receipts other than for its gross negligence, willful misconduct or bad faith (each as determined by a final non-appealable judgment, order, decree or ruling of a court of competent jurisdiction). Notwithstanding anything in this Deposit Agreement to the contrary, excluding the Depositary's gross negligence, willful misconduct or bad faith, the aggregate liability of the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent under this Deposit Agreement with respect to, arising from or arising in connection with this Deposit Agreement, or from all services provided or omitted to be provided under this Deposit Agreement, whether in contract, tort, or otherwise, is limited to, and shall not exceed, the amounts paid hereunder by the Corporation to the Depositary as fees and charges, but not including reimbursable expenses.

Notwithstanding anything in this Deposit Agreement to the contrary, neither the Depositary, nor the Depositary's Agent nor any Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent nor the Corporation shall be liable in any event for special, punitive, incidental, indirect or consequential losses or damages of any kind whatsoever (including but not limited to lost profits) even if they have been advised of the likelihood of such loss or damage and regardless of the form of action.

Neither the Depositary nor any Depositary's Agent nor any Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent nor the Corporation shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of the Series B Preferred Stock, the Depositary Shares or the Receipts which in its opinion may involve it in expense or liability unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required.

Neither the Depositary nor any Depositary's Agent, nor any Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent nor the Corporation shall be liable for any action or any failure to act by it in reliance upon the written advice of legal counsel or accountants, or information from any person presenting Series B Preferred Stock for deposit, any Holder of a Receipt or any other person believed by it in good faith to be competent to give such information. The Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent, Dividend Disbursing Agent and the Corporation may each rely and shall each be protected in acting upon or omitting to act upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Depositary shall not be responsible for any failure to carry out any instruction to vote any of the shares of Series B Preferred Stock or for the manner or effect of any such vote made, as long as any such action or non-action is not taken in bad faith. The Depositary undertakes, and any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent, Dividend Disbursing Agent shall be required to undertake, to perform such duties and only such duties as are specifically set forth in this Deposit Agreement, and no implied covenants or obligations shall be read into this Deposit Agreement against the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent.

The Depositary, the Depositary's Agents, and any Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent may own and deal in any class of securities of the Corporation and its affiliates and in Receipts. The Depositary may also act as transfer agent or registrar of any of the securities of the Corporation and its affiliates.

The Depositary shall not be under any liability for interest on any monies at any time received by it pursuant to any of the provisions of this Deposit Agreement or of the Receipts, the Depositary Shares or the Series B Preferred Stock nor shall it be obligated to segregate such monies from other monies held by it, except as required by law. The Depositary shall not be responsible for advancing funds on behalf of the Corporation and shall have no duty or obligation to make any payments if it has not timely received sufficient funds to make timely payments.

It is intended that none of the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent as the case may be, shall be deemed to be an "issuer" of the securities under the federal securities laws or applicable state securities laws, it being expressly understood and agreed that the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent, and Dividend Disbursing Agent are acting only in a ministerial capacity as Depositary, Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent as applicable, for the deposited Depositary Shares; provided, however, that the Depositary agrees to comply with all information reporting and withholding requirements required to be complied by it under law or this Deposit Agreement in its capacity as Depositary.

Neither the Depositary (or its officers, directors, employees, agents or affiliates) nor any Depositary's Agent makes any representation or has any responsibility as to the validity of the registration statement pursuant to which the Depositary Shares are registered under the Securities Act, the deposited Series B Preferred Stock, the Depositary Shares, the Receipts (except its countersignature thereon) or any instruments referred to therein or herein, or as to the correctness of any statement made therein or herein; provided, however, that the Depositary is responsible for its representations in this Deposit Agreement.

In the event the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by it hereunder, or in the administration of any of the provisions of this Deposit Agreement, the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, omitting or suffering to take any action hereunder, each of the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent may, in its sole discretion upon written notice to the Corporation, refrain from taking any action and shall be fully protected and shall not be liable in any way to the Corporation, any Holders of Receipts or any other person or entity for refraining from taking such action, unless the Depositary, the Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent, as applicable, receives written instructions or a certificate signed by the Corporation which eliminates such ambiguity or uncertainty to its satisfaction or which proves or establishes the applicable matter to its satisfaction.

In the event the Depositary, any Depositary's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent shall receive conflicting claims, requests or instructions from any Holders of Receipts, on the one hand, and the Corporation, on the other hand, such party shall be entitled to act on such claims, requests or instructions received from the Corporation, and shall be entitled to the indemnification set forth in Section 5.6 hereof in connection with any action so taken.

From time to time, the Corporation may provide the Depositary, any Depositary's Agent, any Registrar, any Transfer Agent, the Redemption Agent or the Dividend Disbursing Agent with instructions concerning the services performed by the Depositary under this Deposit Agreement. In addition, at any time, the Depositary, any Depositary's Agent, any Registrar, any Transfer Agent the Redemption Agent or the Dividend Disbursing Agent may apply to any officer of the Corporation for instruction, and may consult with legal counsel for the Depositary or the Corporation with respect to any matter arising in connection with the services to be performed by it under this Deposit Agreement. The Depositary, Depositary's Agent, Registrar, Transfer Agent, Redemption Agent and Dividend Disbursing Agent and their respective agents and subcontractors shall not be liable and shall be indemnified by the Corporation for any action taken or omitted by them in reliance upon any Corporation instructions or upon the advice or opinion of such counsel. None of the Depositary, any Depositary's Agent, any Registrar, any Transfer Agent, Redemption Agent and Dividend Disbursing Agent shall be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Corporation.

The Depositary, any Depositary's Agent, Transfer Agent, Registrar, Redemption Agent, and Dividend Disbursing Agent hereunder:

(i) shall have no duties or obligations other than those specifically set forth herein (and no implied duties or obligations), or as may subsequently be agreed to in writing by the parties;

(ii) shall have no obligation to make payment hereunder unless the Corporation shall have provided the necessary federal or other immediately available funds or securities or property, as the case may be, to pay in full amounts due and payable with respect thereto;

(iii) shall not be obligated to take any legal or other action hereunder; if, however, the Depositary, any Depositary's Agent, the Transfer Agent, the Registrar, Redemption Agent, or Dividend Disbursing Agent determines to take any legal or other action hereunder, and, where the taking of such action might in such Person's reasonable judgment subject or expose it to any expense or liability, it shall not be required to act unless it shall have been furnished with an indemnity satisfactory to it;

(iv) may rely on and shall be authorized and protected in acting or omitting to act upon any certificate, instrument, opinion, notice, letter, facsimile transmission or other document or security delivered to it and believed by it to be genuine and to have been signed by the proper party or parties, and shall have no responsibility for determining the accuracy thereof;

(v) may rely on and shall be authorized and protected in acting or omitting to act upon the written, telephonic, electronic and oral instructions given in accordance with this Deposit Agreement, with respect to any matter relating to its actions as Depositary, Transfer Agent or Registrar covered by this Deposit Agreement (or supplementing or qualifying any such actions), of officers of the Corporation;

(vi) may consult counsel satisfactory to it (who may be an employee of the Depositary or the Registrar or counsel to the Corporation), and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it hereunder in accordance with the advice of such counsel;

(vii) shall not be called upon at any time to advise any Person with respect to the Series B Preferred Stock, Depositary Shares or Receipts;

(viii) shall not be liable or responsible for any recital or statement contained in any documents relating hereto or to the Series B Preferred Stock, the Depositary Shares or Receipts; and

(ix) shall not be liable in any respect on account of the identity, authority or rights of the parties (other than the Depositary) executing or delivering or purporting to execute or deliver this Deposit Agreement or any documents or papers deposited or called for under this Deposit Agreement.

The obligations of the Corporation and the rights of the Depositary, the Depositary's Agent, Transfer Agent, Registrar, Redemption Agent or Dividend Disbursing Agent set forth in this Section 5.3 shall survive the replacement, removal or resignation of any Depositary, Registrar, Transfer Agent, Depositary's Agent, Redemption Agent or Dividend Disbursing Agent or termination of this Deposit Agreement.

Section 5.4 Resignation and Removal of the Depositary; Appointment of Successor Depositary

The Depositary may at any time resign as Depositary hereunder by delivering notice of its election to do so to the Corporation, such resignation to take effect upon the appointment of a successor Depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Corporation by notice of such removal delivered to the Depositary, such removal to take effect upon the appointment of a successor Depositary hereunder and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Corporation shall, within 60 days after the delivery of the notice of resignation or removal, as the case may be, appoint a successor Depositary, which shall be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus, along with its affiliates, of at least \$50,000,000. If no successor Depositary shall have been so appointed and have accepted appointment within 60 days after delivery of such notice, the resigning or removed Depositary may petition any court of competent jurisdiction for the appointment of a successor Depositary. Every successor Depositary shall execute and deliver to its predecessor and to the Corporation an instrument in writing accepting its appointment hereunder, and thereupon such successor Depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor and for all purposes shall be the Depositary

under this Deposit Agreement, and such predecessor, upon payment of all sums due it and on the written request of the Corporation, shall promptly execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder, shall duly assign, transfer and deliver all right, title and interest in the Series B Preferred Stock and any moneys or property held hereunder to such successor, and shall deliver to such successor a list of the Record Holders of all outstanding Receipts and such records, books and other information in its possession relating thereto. Any successor Depository shall promptly send notice of its appointment to the Record Holders of Receipts at the Corporation's sole expense.

Any entity into or with which the Depository may be merged, consolidated or converted shall be the successor of the Depository without the execution or filing of any document or any further act, and notice thereof shall not be required hereunder. Such successor Depository may authenticate the Receipts in the name of the predecessor Depository or its own name as successor Depository.

The provisions of this Section 5.4 as they apply to the Depository apply to each Depository's Agent, Registrar, Transfer Agent, Redemption Agent or Dividend Disbursing Agent as if specifically enumerated herein.

Section 5.5 Corporate Notices and Reports.

The Corporation agrees that it will deliver to the Depository, and the Depository will, promptly after receipt thereof, transmit to the Record Holders of Receipts, in each case at the addresses recorded in the Depository's books, copies of all notices and reports (including without limitation financial statements) required by law, by the rules of any national securities exchange upon which the Series B Preferred Stock, the Depository Shares or the Receipts are listed or by the Corporation's Amended and Restated Certificate of Incorporation, as amended (including the Certificate of Designations), to be furnished to the Record Holders of Receipts. Such transmission will be at the Corporation's expense and the Corporation will provide the Depository with such number of copies of such documents as the Depository may reasonably request. In addition, the Depository will transmit to the Record Holders of Receipts at the Corporation's expense such other documents as may be requested by the Corporation. Unless otherwise required by law, the requirements set forth in this [Section 5.5](#) may be satisfied by publicly filing or furnishing such information with or to the U.S. Securities and Exchange Commission.

Section 5.6 Indemnification by the Corporation.

Notwithstanding Section 5.3 to the contrary, the Corporation shall indemnify the Depository, any Depository's Agent, any Registrar, and any Transfer Agent (including each of their officers, directors, agents and employees) against, and hold each of them harmless from, any loss, damage, cost, penalty, liability or expense (including the reasonable costs and expenses of defending itself) which may arise out of acts performed, suffered or omitted to be taken in connection with this Deposit Agreement and the Receipts by the Depository, any Registrar, or any Transfer Agent or any of their respective agents (including any Depository's Agent) and any transactions or documents contemplated hereby, except for any liability arising out of gross negligence, willful misconduct or bad faith on the respective parts of any such person or persons. The obligations of the Corporation set forth in this Section 5.6 shall survive the replacement, removal, resignation or any succession of any Depository, Registrar, Transfer Agent or Depository's Agent, or termination of this Deposit Agreement.

Section 5.7 Fees, Charges and Expenses.

The Corporation agrees promptly to pay the Depository the compensation to be agreed upon with the Corporation for all services rendered by the Depository hereunder and to reimburse the Depository for its reasonable out-of-pocket expenses (including reasonable counsel fees and expenses) incurred by the Depository without gross negligence, willful misconduct or bad faith on its part (or on the part of any agent or Depository's Agent) in connection with the services rendered by it (or such agent or Depository's Agent) hereunder. The Corporation shall pay all charges of the Depository in connection with the initial deposit of the Series B Preferred Stock and the initial issuance of the Depository Shares, all withdrawals of shares of Series B Preferred Stock by owners of Depository Shares, and any redemption or exchange of the Series B Preferred Stock at the option of the Corporation. The Corporation shall pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. All other transfer and other taxes and governmental charges shall be at the expense of Holders of Depository Shares evidenced by Receipts. If, at the request of a Holder of Receipts, the Depository incurs charges or expenses for which the Corporation is not otherwise liable hereunder, such Holder will be liable for such charges and expenses; provided, however, that the Depository may, at its sole option, require a Holder of a Receipt to prepay the Depository any charge or expense the Depository has been asked to incur at the request of such Holder of Receipts. The Depository shall present its statement for charges and expenses to the Corporation at such intervals as the Corporation and the Depository may agree.

**ARTICLE VI
AMENDMENT AND TERMINATION**

Section 6.1 Amendment.

The form of the Receipts and any provisions of this Deposit Agreement may at any time and from time to time be amended by agreement between the Corporation and the Depository in any respect which they may deem necessary or desirable; provided, however, that no such amendment which shall materially and adversely alter the rights of the Holders of Receipts shall be effective against the Holders of Receipts unless such amendment shall have been approved by the Holders of Receipts representing in the aggregate at least a two-thirds majority of the Depository Shares then outstanding. Every Holder of an outstanding Receipt at the time any such amendment becomes effective shall be deemed, by continuing to hold such Receipt, to consent and agree to such amendment and to be bound by the Deposit Agreement as amended thereby. In no event shall any amendment impair the right, subject to the provisions of Sections 2.5 and 2.6 and Article III, of any owner of Depository Shares to surrender any Receipt evidencing such Depository Shares to the Depository with instructions to deliver to the Holder the Series B Preferred Stock and all money and other property, if any, represented thereby, except in order to comply with mandatory provisions of applicable law or the rules and regulations of any governmental body, agency or commission, or applicable securities exchange.

Section 6.2 Termination.

This Deposit Agreement may be terminated by the Corporation or the Depository only if (i) all outstanding Depository Shares issued hereunder have been redeemed pursuant to Section 2.8, (ii) there shall have been made a final distribution in respect of the Series B Preferred Stock in connection with any liquidation, dissolution or winding up of the Corporation and such distribution shall have been distributed to the Holders of Receipts representing Depository Shares pursuant to Section 4.1 or 4.2, as applicable or (iii) upon the consent of Holders of Receipts representing in the aggregate not less than two-thirds of the Depository Shares outstanding.

The rights of the Depository, any Depository's Agent, Transfer Agent, or Registrar and the obligations of the Corporation under Sections 5.3, 5.6 and 5.7 hereof shall survive termination of this Deposit Agreement or the resignation, removal or succession of the Depository.

**ARTICLE VII
MISCELLANEOUS**

Section 7.1 Counterparts.

This Deposit Agreement may be executed in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed an original, but all such counterparts taken together shall constitute one and the same instrument. A signature to this Deposit Agreement transmitted electronically shall have the same authority, effect, and enforceability as an original signature.

Section 7.2 Exclusive Benefit of Parties.

This Deposit Agreement is for the exclusive benefit of the parties hereto, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

Section 7.3 Invalidation of Provisions.

In case any one or more of the provisions contained in this Deposit Agreement or in the Receipts should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby; provided, however, that if such provision affects the rights, duties, liabilities or obligations of the Depository, the Depository shall be entitled to resign immediately.

Section 7.4 Notices.

Any and all notices to be given to the Corporation hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail or overnight delivery service, or by facsimile transmission or electronic mail, confirmed by letter, addressed to the Corporation at:

SYNCHRONY FINANCIAL
777 Long Ridge Road
Stamford, Connecticut 06902
Attention: Jonathan S. Mothner, Esq.

or at any other addresses of which the Corporation shall have notified the Depository in writing.

Any and all notices to be given to the Depository hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail or overnight delivery service, or by telegram or facsimile transmission or electronic mail, confirmed by letter, addressed to the Depository at:

Computershare Inc.
Computershare Trust Company, N.A.
150 Royall Street
Canton, Massachusetts 02021
Attention: Client Services

with a copy to:

Computershare Inc.
Computershare Trust Company, N.A.
150 Royall Street
Canton, Massachusetts 02021
Attention: General Counsel

or at any other addresses of which the Depository shall have notified the Corporation in writing.

Any and all notices to be given to any Record Holder of a Receipt hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if transmitted through the facilities of DTC in accordance with DTC's procedures or personally delivered or sent by mail or facsimile transmission or confirmed by letter, addressed to such Record Holder at the address of such Record Holder as it appears on the books of the Depository, or if such Holder shall have timely filed with the Depository a written request that notices intended for such Holder be mailed to some other address, at the address designated in such request.

Delivery of a notice sent by mail or by facsimile transmission shall be deemed to be effected at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a facsimile transmission) is deposited, postage prepaid, in a post office letter box. The Depository or the Corporation may, however, act upon any facsimile transmission received by it from the other or from any Holder of a Receipt, notwithstanding that such facsimile transmission shall not subsequently be confirmed by letter or as aforesaid.

Section 7.5 Depository's Agents.

The Depository may from time to time appoint Depository's Agents to act in any respect for the Depository for the purposes of this Deposit Agreement and may at any time appoint additional Depository's Agents and vary or terminate the appointment of such Depository's Agents. The Depository will promptly notify the Corporation of any such action.

Section 7.6 Appointment of Registrar, Dividend Disbursing Agent, Transfer Agent and Redemption Agent in Respect of Receipts and Series B Preferred Stock.

The Corporation hereby appoints (a) Computershare and the Trust Company, in their respective capacities as Transfer Agent, Registrar and Dividend Disbursing Agent in respect of the Receipts and deposited Series B Preferred Stock, and (b) Computershare as the Redemption Agent to receive redemption proceeds on the deposited Series B Preferred Stock and to disburse the same to the holders of the Receipts, and Computershare and the Trust Company hereby accept such respective appointments, on the express terms and conditions set forth in this Deposit Agreement

Section 7.7 Holders of Receipts Are Parties.

The Holders of Receipts from time to time shall be parties to this Deposit Agreement and shall be bound by all of the terms and conditions hereof and of the Receipts and of the Officer's Certificate by acceptance of delivery thereof.

Section 7.8 Governing Law.

This Deposit Agreement and the Receipts of each series and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, and construed in accordance with, the laws of the State of Delaware without giving effect to applicable conflicts of law principles.

Section 7.9 Inspection of Deposit Agreement.

Copies of this Deposit Agreement shall be filed with the Depository and the Depository's Agents and shall be open to inspection during business hours at the Depository's Office and the respective offices of the Depository's Agents, if any, by any Holder of a Receipt.

Section 7.10 Headings.

The headings of articles and sections in this Deposit Agreement and in the form of the Receipt set forth in Exhibit A hereto have been inserted for convenience only and are not to be regarded as a part of this Deposit Agreement or the Receipts or to have any bearing upon the meaning or interpretation of any provision contained herein or in the Receipts.

Section 7.11 Force Majeure.

Notwithstanding anything to the contrary contained herein, the Depository, any Depository's Agent, Transfer Agent, or Registrar will not be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war, or civil unrest.

Section 7.12 Further Assurances.

The Corporation agrees that it will perform, acknowledge, and deliver or cause to be performed, acknowledged or delivered, all such further and other acts, documents, instruments and assurances as the Depository may reasonably require to perform the provisions of this Deposit Agreement.

Section 7.13 Confidentiality.

The Depository and the Corporation agree that all books, records, information and data pertaining to the business of the other party, including *inter alia*, personal, non-public Holder information and the fees for services, which are exchanged or received pursuant to the negotiation or the carrying out of this Deposit Agreement, shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law or legal process.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the Corporation and the Depositary have duly executed this Deposit Agreement as of the day and year first above set forth, and all Holders of Receipts shall become parties hereto by and upon acceptance by them of delivery of Receipts issued in accordance with the terms hereof.

SYNCHRONY FINANCIAL

By: /s/ Christopher J. Coffey
Name: Christopher J. Coffey
Title: SVP, Treasury – Funding, Investments & Liquidity

COMPUTERSHARE TRUST COMPANY, N.A.
and COMPUTERSHARE INC. (on behalf of both entities)

By: /s/ Constance Adams
Name: Constance Adams
Title: Assistance Vice President

[Signature Page to Deposit Agreement]

By: _____
Authorized Officer

[FORM OF REVERSE OF RECEIPT]

SYNCHRONY FINANCIAL

SYNCHRONY FINANCIAL WILL FURNISH WITHOUT CHARGE TO EACH RECEIPTHOLDER WHO SO REQUESTS A COPY OF THE DEPOSIT AGREEMENT AND A COPY OR SUMMARY OF THE CERTIFICATE OF DESIGNATIONS OF FIXED RATE RESET NON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES B OF SYNCHRONY FINANCIAL. ANY SUCH REQUEST IS TO BE ADDRESSED TO THE DEPOSITARY NAMED ON THE FACE

The Corporation will furnish without charge to each receipt holder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof of the Corporation, and the qualifications, limitations or restrictions of such preferences and/or rights. Such request may be made to the Corporation or to the Registrar.

EXPLANATION OF ABBREVIATIONS

The following abbreviations when used in the form of ownership on the face of this certificate shall be construed as though they were written out in full according to applicable laws or regulations. Abbreviations in addition to those appearing below may be used.

<u>Abbreviation</u>	<u>Abbreviation</u>	<u>Abbreviation</u>	<u>Equivalent Word</u>
JT TEN	As joint tenants, with right of survivorship and not as tenants in common	TEN BY ENT	As tenants by the entireties
TEN IN COM	As tenants in common	UNIF GIFT MIN ACT	Uniform Gifts to Minors Act

<u>Abbreviation</u>	<u>Equivalent Word</u>	<u>Abbreviation</u>	<u>Equivalent Word</u>	<u>Abbreviation</u>	<u>Equivalent Word</u>
ADM	Administrator(s), Administratrix	EX	Executor(s), Executrix	PL	Public Law
AGMT	Agreement	FBO	For the benefit of	TR	(As) trustee(s), for, of
ART	Article	FDN	Foundation	U	Under
CH	Chapter	GDN	Guardian(s)	UA	Under Agreement
CUST	Custodian for	GDNSHP	Guardianship	UW	Under will of, Of will of
DEC	Declaration	MIN	Minor(s)		Under last will & testament
EST	Estate, of Estate of	PAR	Paragraph		

For value received, hereby sell(s), assign(s) and transfer(s) unto

INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Depository Shares represented by the within Depository Receipt, and do(es) hereby irrevocably constitute and appoint Attorney to transfer the said Depository Shares on the books of the within named Depository with full power of substitution in the premises.

Dated:

NOTICE: The signature to the assignment must correspond with the name as written upon the face of this Receipt in every particular, without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED

NOTICE: If applicable, the signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in an approved signature guarantee medallion program), pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended.

EXHIBIT B

Executive Officer's Certificate

I, Jonathan Mothner, Executive Vice President, Chief Risk and Legal Officer of Synchrony Financial (the "Corporation"), hereby certify that pursuant to the terms of the Certificate of Designations, effective February 22, 2024, filed with the Secretary of State of the State of Delaware on February 22, 2024 (the "Certificate of Designations"), and pursuant to resolutions adopted by (i) the Board of Directors of the Corporation on July 10, 2014, (ii) the Board of Directors of the Corporation on February 24, 2016, (iii) the Board of Directors of the Corporation on July 20, 2022 and (iv) the Board of Directors of the Corporation on February 6, 2024 and the Approval and Delegation of Authority Letter, dated February 14, 2024, the Corporation has established the Series B Preferred Stock which the Corporation desires to deposit with the Depository for the purposes of being subject to the terms and conditions of the Deposit Agreement, dated as of February 23, 2024, by and among the Corporation, Computershare Trust Company, N.A., Computershare Inc. and the Holders of Receipts issued thereunder from time to time (the "Deposit Agreement"). In connection therewith, the Board of Directors of the Corporation or a duly authorized committee thereof has authorized the terms and conditions with respect to the Series B Preferred Stock as described in the Certificate of Designations attached as Annex A hereto. Any terms of the Series B Preferred Stock that are not so described in the Certificate of Designations and any terms of the Receipts representing such Series B Preferred Stock that are not described in the Deposit Agreement are described below:

Aggregate number of shares of Series B Preferred Stock issued on the day hereof:

CUSIP Number for Receipt: 87165B 400

Denomination of Depositary Share per share of Series B Preferred Stock (if different than 1/40th of a share of Series B Preferred Stock):

Redemption Provisions (if different than as set forth in the Deposit Agreement):

Name of Global Receipt Depository: The Depository Trust Company

All capitalized terms used but not defined herein shall have such meaning as ascribed thereto in the Deposit Agreement.

Synchrony Financial

IN WITNESS WHEREOF, I have signed this certificate.

Dated: February 23, 2024

By: /s/ Jonathan Mothner
Name: Jonathan Mothner
Title: Executive Vice President, Chief Risk and Legal Officer

Agreed and Accepted by Computershare Inc. and Computershare Trust Company, N.A., jointly as Depositary

By: /s/ Constance Adams
Name: Constance Adams
Title: Assistance Vice President

Annex A

CERTIFICATE OF DESIGNATIONS

OF

8.250% FIXED RATE RESET NON-CUMULATIVE PERPETUAL PREFERRED STOCK,

SERIES B OF

SYNCHRONY FINANCIAL

Synchrony Financial, a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), in accordance with the provisions of Sections 141 and 151 thereof, does hereby certify:

At a meeting of the Board of Directors (the "Board") of the Corporation duly convened and held on February 6, 2024, the Board duly adopted resolutions (a) authorizing the issuance and sale by the Corporation of one or more series of the Corporation's authorized and unissued preferred stock ("Preferred Stock"), and (b) authorizing certain officers of the Corporation (the "Authorized Officers") to act on behalf of the Board in, subject to the limitations set forth therein, approving the terms and conditions of, and authorizing the execution, delivery and filing of any certificate of designations relating to any such series of Preferred Stock fixing the designations, powers, preferences, rights, privileges, qualifications, limitations, restrictions, terms and conditions of such series of Preferred Stock;

Thereafter, on February 14, 2024, the Authorized Officers duly approved the creation of a series of 500,000 shares of Preferred Stock of the Corporation designated as "8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B" by written consent:

RESOLVED, that pursuant to the provisions of the Amended and Restated Certificate of Incorporation and the amended and restated bylaws of the Corporation and applicable law, a series of Preferred Stock, par value \$0.001 per share, of the Corporation be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of Preferred Stock a series of Preferred Stock designated as the "8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B" (hereinafter called "Series B Preferred Stock"). The authorized number of shares of Series B Preferred Stock shall be 500,000 shares, \$0.001 par value per share, having a liquidation preference of \$1,000 per share. The number of shares constituting Series B Preferred Stock may be increased from time to time in accordance with law up to the maximum number of shares of Preferred Stock authorized to be issued under the Amended and Restated Certificate of Incorporation of the Corporation, as amended, less all shares at the time authorized of any other series of Preferred Stock, and any such additional shares of Series B Preferred Stock would form a single series with the Series B Preferred Stock. Shares of Series B Preferred Stock will be dated the date of issue, which shall be referred to herein as the "original issue date". Shares of outstanding Series B Preferred Stock that are redeemed, purchased or otherwise acquired by the Corporation, or converted into another series of Preferred Stock, shall be cancelled and shall revert to authorized but unissued shares of Preferred Stock undesignated as to series.

Part 2. Standard Provisions. The Standard Provisions contained in Annex A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this Certificate of Designations to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in this Certificate of Designations (including the Standard Provisions in Annex A hereto) as defined below:

(a) "Common Stock" means the common stock, par value \$0.001 per share, of the Corporation.

(b) "original issue date" means the date of issue of the Series B Preferred Stock.

(c) "Preferred Stock" means any and all series of preferred stock of the Corporation, including the Series B Preferred Stock.

Part 4. Certain Voting Matters. Holders of shares of Series B Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Series B Preferred Stock are entitled to vote, including any action by written consent.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Synchrony Financial has caused this Certificate of Designations to be signed by the undersigned as of this 22nd day of February, 2024

SYNCHRONY FINANCIAL

By /s/ Christopher J. Coffey
Name: Christopher J. Coffey
Title: SVP, Treasury – Funding, Investments & Liquidity

[Signature Page to Series B Certificate of Designations]

STANDARD PROVISIONSSection 1. Definitions.

- (a) "Business Day" means any weekday that is not a legal holiday in New York, New York and that is not a day on which banking institutions in New York, New York are closed.
- (b) "Calculation Agent" means the calculation agent appointed by the Corporation prior to the Series B Dividend Determination Date preceding the First Reset Date, which may be a person or entity affiliated with the Corporation.
- (c) "DTC" means The Depository Trust Company.
- (d) "First Reset Date" means May 15, 2029.
- (e) "Five-Year U.S. Treasury Rate" has the meaning set forth in Section 3(c).
- (f) "Regulatory Capital Treatment Event" means the good faith determination by the Corporation that, as a result of (1) any amendment to, or change (including any announced prospective change) in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series B Preferred Stock; (2) any proposed change in those laws or regulations that is announced or becomes effective after the initial issuance of any share of Series B Preferred Stock; or (3) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series B Preferred Stock, there is more than an insubstantial risk that the Corporation will not be entitled to treat the full liquidation value of the shares of Series B Preferred Stock then outstanding as Tier 1 capital (or its equivalent) for purposes of the Board of Governors of the Federal Reserve System's (the "Federal Reserve") capital adequacy regulations and policies (or, as and if applicable, the capital adequacy regulations and policies of any successor appropriate federal banking regulator or agency), as then in effect and applicable, for as long as any share of Series B Preferred Stock is outstanding.
- (g) "Series B Dividend Determination Date" means, in respect of any Reset Period, the day falling three Business Days prior to the beginning of such Series B Reset Period.
- (h) "Series B Dividend Payment Date" has the meaning set forth in Section 3(b).
- (i) "Series B Dividend Period" means the period from and including a Series B Dividend Payment Date to, but excluding, the next Series B Dividend Payment Date, except that the initial Series B Dividend Period will commence on and include the original issue date of Series B Preferred Stock.
- (j) "Series B Junior Securities" has the meaning set forth in Section 2(a).
- (k) "Series B Parity Securities" has the meaning set forth in Section 2(b).
- (l) "Series B Reset Date" means the First Reset Date and each subsequent date falling on the fifth anniversary of the preceding Series B Reset Date, and if any Series B Reset Date, including the First Reset Date, falls on a day that is not a Business Day, such Series B Reset Date shall not be adjusted to a day that is a Business Day.
- (m) "Series B Reset Period" means initially the period from and including the First Reset Date to, but excluding, the next following Series B Reset Date, and thereafter each period from and including each Series B Reset Date to, but excluding, the next following Series B Reset Date.

Section 2. Ranking. The shares of Series B Preferred Stock shall rank:

- (a) senior, as to dividends and distribution of assets upon liquidation, dissolution or winding up of the Corporation, to the Common Stock, and to any other class or series of capital stock of the Corporation now or hereafter authorized, issued or outstanding that, by its terms, does not expressly provide that it ranks *pari passu* with the Series B Preferred Stock as to dividends and distributions of assets upon liquidation, dissolution and winding up, as the case may be (collectively, "Series B Junior Securities");

(b) on a parity, as to dividends and distributions of assets upon liquidation, dissolution or winding up of the Corporation, with any class or series of capital stock of the Corporation now or hereafter authorized, issued or outstanding that, by its terms, expressly provides that it ranks *pari passu* with the Series B Preferred Stock as to dividends and distributions of assets upon liquidation, dissolution and winding up, as the case may be, including the Corporation's Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A (collectively, "Series B Parity Securities"); and

(c) Junior, as to distributions of assets upon liquidation, dissolution, and winding up of the Corporation, to any existing or future indebtedness of the Corporation.

(d) The Corporation may authorize and issue additional shares of Series B Junior Securities and Series B Parity Securities without the consent of the holders of the Series B Preferred Stock.

Section 3. Dividends.

(a) Holders of Series B Preferred Stock will be entitled to receive, when, as, and if declared by the Board or a duly authorized committee of the Board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, commencing May 15, 2024 based on the liquidation preference of the Series B Preferred Stock. Dividends will accrue when, as and if declared, (i) from the original issuance date, to but excluding, the First Reset Date at a fixed rate of 8.250% per annum and (ii) from, and including, the First Reset Date, during each Series B Reset Period, at a rate equal to the Five-Year U.S. Treasury Rate (as defined below) as of the most recent Series B Dividend Determination Date plus 4.044% on the liquidation preference of \$1,000 per share. If the Corporation issues additional shares of the Series B Preferred Stock after the original issue date, dividends on such shares will accrue from the original issue date of such additional shares.

(b) If declared by the Board or a duly authorized committee of the Board, dividends will be payable on the Series B Preferred Stock (each such date, a "Series B Dividend Payment Date") quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, beginning on May 15, 2024. If any date on which dividends would otherwise be payable is not a Business Day, then the Series B Dividend Payment Date will be the next Business Day, without any adjustment to the amount of dividends paid.

(c) For any Series B Reset Period, the "Five-Year U.S. Treasury Rate" shall be determined by the Calculation Agent on the applicable Series B Dividend Determination Date as follows:

- (i) The Five-Year U.S. Treasury Rate shall be the average of the yields on actively traded U.S. treasury securities adjusted to constant maturity, for five-year maturities, for the five business days immediately preceding the recent Series B Dividend Determination Date for that Series B Reset Period, appearing under the caption "Treasury Constant Maturities" in the most recently published statistical release designated H.15 Daily Update or any successor publication which is published by the Federal Reserve as of 5:00 p.m. (Eastern Time) as of any Series B Dividend Determination Date, as determined by the Calculation Agent in its sole discretion; provided that if no such calculation can be determined as described above, then: (a) if the Calculation Agent determines the treasury rate has not been discontinued, then the Calculation Agent will use for such Series B Reset Period a substitute base rate that it has determined is most comparable to the treasury rate; or (b) if the Calculation Agent determines the treasury rate has been discontinued, then the Calculation Agent will use for such Series B Reset Period and each successive Series B Reset Period a substitute or successor base rate that it has determined is most comparable to the treasury rate; provided that if the Calculation Agent determines there is an industry-accepted successor base rate to the treasury rate, then the Calculation Agent shall use such successor base rate.

- (ii) If the Calculation Agent has determined a substitute or successor base rate in accordance with Section 3(b)(c)(i)(b) hereof but no calculation with respect to such substitute or successor base rate can be determined as of any subsequent Series B Dividend Determination Date, then a new substitute or successor base rate shall be determined as set forth in the 3(b)(c)(i)(a) or (b) hereof, as applicable, as if the previously-determined substitute or successor base rate was the treasury rate. If the Calculation Agent has determined a substitute or successor base rate, then the Calculation Agent will apply any technical, administrative or operational changes that we determine (including changes to the definitions of "Series B Dividend Period", "Series B Reset Period", "Series B Reset Date" and "Series B Dividend Determination Date", timing and frequency of determining rates with respect to each Series B Reset Period and making payments of dividends, rounding of amounts or tenors, and other administrative matters) for calculating such substitute or successor base rate in a manner that is consistent with market practice for such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the treasury rate; provided that, if we decide that adoption of any portion of such market practice is not administratively feasible or if we determine that no market practice for use of the substitute or successor base rate exists, the Calculation Agent will apply any such changes for calculating such substitute or successor base rate in such other manner as we determine is reasonably necessary.
- (iii) The Five-Year U.S. Treasury Rate shall be determined by the Calculation Agent on the Series B Dividend Determination Date. If the Five-Year U.S. Treasury Rate for any Series B Dividend Period cannot be determined pursuant to the methods described in the two bullet points above, the dividend rate for such Series B Dividend Period will be the same as the dividend rate determined for the immediately preceding Series B Dividend Period. Dividends on the Series B Preferred Stock will cease to accrue on the redemption date, if any, unless we default in the payment of the redemption price of the shares of the Series B Preferred Stock called for redemption.

(d) Dividends will be payable to holders of record of Series B Preferred Stock as they appear on the Corporation's books on the applicable record date, which shall be the 15th calendar day before the applicable Series B Dividend Payment Date, or such other record date, not exceeding 30 calendar days before the applicable Series B Dividend Payment Date, as shall be fixed by the Board or a duly authorized committee of the Board.

(e) Dividends payable on Series B Preferred Stock will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to the nearest cent, with one-half cent being rounded upward. Dividends on the Series B Preferred Stock will cease to accrue on the redemption date, if any, unless the Corporation defaults in the payment of the redemption price of the Series B Preferred Stock called for redemption.

(f) Dividends on the Series B Preferred Stock will not be cumulative. If the Board or a duly authorized committee of the Board does not declare a dividend on the Series B Preferred Stock in respect of a Series B Dividend Period, then no dividend shall be deemed to have accrued for such dividend period, be payable on the applicable Series B Dividend Payment Date or be cumulative, and the Corporation will have no obligation to pay any dividend for that Series B Dividend Period, whether or not the Board or a duly authorized committee of the Board declares a dividend for any future Series B Dividend Period with respect to the Series B Preferred Stock, the Corporation's Common Stock, or any other class or series of the Corporation's Preferred Stock.

(g) So long as any share of Series B Preferred Stock remains outstanding, unless the full dividends for the preceding Series B Dividend Period on all outstanding shares of Series B Preferred Stock have been paid in full or declared and a sum sufficient for the payment thereof has been set aside for payment:

(1) no dividend shall be declared or paid or set aside for payment and no distribution shall be declared or made or set aside for payment on any Series B Junior Securities, other than (i) a dividend payable solely in Series B Junior Securities or (ii) any dividend in connection with the implementation of a shareholders' rights plan, or the redemption or repurchase of any rights under any such plan;

(2) no shares of Series B Junior Securities shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation, directly or indirectly, nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Corporation (other than (i) as a result of a reclassification of Series B Junior Securities for or into other Series B Junior Securities, (ii) the exchange or

conversion of one share of Series B Junior Securities for or into another share of Series B Junior Securities, (iii) through the use of the proceeds of a substantially contemporaneous sale of other shares of Series B Junior Securities, (iv) purchases, redemptions or other acquisitions of shares of Series B Junior Securities in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants, (v) purchases of shares of Series B Junior Securities pursuant to a contractually binding requirement to buy Series B Junior Securities existing prior to the preceding Series B Dividend Period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of Series B Junior Securities pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, or (vii) the acquisition by the Corporation or any of the Corporation's subsidiaries of record ownership in junior stock for the beneficial ownership of any other persons (other than for the beneficial ownership by the Corporation or any of the Corporation's subsidiaries), including as trustees or custodians); and

(3) no shares of Series B Parity Securities shall be repurchased, redeemed or otherwise acquired for consideration by the Corporation, directly or indirectly (nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Corporation), during a dividend period, other than (i) pursuant to *pro rata* offers to purchase all, or *pro rata* portion, of the Series B Preferred Stock and such Series B Parity Securities, if any, (ii) as a result of a reclassification of Series B Parity Securities for or into other Series B Parity Securities, (iii) the exchange or conversion of Series B Parity Securities for or into other Series B Parity Securities or Series B Junior Securities, (iv) through the use of the proceeds of a substantially contemporaneous sale of other shares of Series B Parity Securities, (v) purchases of shares of Series B Parity Securities pursuant to a contractually binding requirement to buy Series B Parity Securities existing prior to the preceding dividend period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of Series B Parity Securities pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, or (vii) the acquisition by the Corporation or any of the Corporation's subsidiaries of record ownership in Series B Parity Securities for the beneficial ownership of any other persons (other than for the beneficial ownership by the Corporation or any of the Corporation's subsidiaries), including as trustees or custodians.

(h) The Corporation will not declare or pay or set apart funds for the payment of dividends on any Series B Parity Securities unless the Corporation has paid or set apart funds for the payment of dividends on the Series B Preferred Stock. When dividends are not paid in full upon the shares of Series B Preferred Stock and any Series B Parity Securities, all dividends declared upon shares of Series B Preferred Stock and any Series B Parity Securities will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the Series B Preferred Stock, and accrued dividends, including any accumulations, on any Series B Parity Securities, bear to each other for the then-current Series B Dividend Period.

(i) Subject to the foregoing, and not otherwise, dividends (payable in cash, stock or otherwise), as may be determined by the Board or a duly authorized committee of the Board, may be declared and paid on the Common Stock and any other class or any Series B Junior Securities or Series B Parity Securities from time to time out of any assets legally available for such payment, and the holders of Series B Preferred Stock shall not be entitled to participate in any such dividend.

(j) Dividends on the Series B Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause the Corporation to fail to comply with applicable laws and regulations, including regulations and policies of the Federal Reserve.

Section 4. Liquidation.

(a) Upon any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, holders of Series B Preferred Stock are entitled to receive out of assets of the Corporation available for distribution to stockholders, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to Series B Preferred Stock, before any distribution of assets is made to holders of Common Stock or any Series B Junior Securities, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Holders of Series B Preferred Stock will not be entitled to any other amounts from the Corporation after they have received their full liquidating distribution.

(b) In any such distribution, if the assets of the Corporation are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of Series B Preferred Stock and all holders of any Series B Parity Securities, the amounts paid to the holders of Series B Preferred Stock and to the holders of all Series B Parity Securities will be paid *pro rata* in accordance with the respective aggregate liquidating distribution owed to those holders. If the liquidation preference plus declared and unpaid dividends has been paid in full to all holders of Series B Preferred Stock and any Series B Parity Securities, the holders of the Corporation's Series B Junior Securities shall be entitled to receive all remaining assets of the Corporation according to their respective rights and preferences.

(c) For purposes of this section, the merger or consolidation of the Corporation with any other entity, including a merger or consolidation in which the holders of Series B Preferred Stock receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of the assets of the Corporation for cash, securities or other property, shall not constitute a liquidation, dissolution or winding up of the Corporation.

Section 5. Redemption.

(a) Series B Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. Series B Preferred Stock is not redeemable prior to the First Reset Date (other than pursuant to the last sentence of this paragraph). On that date, and on any Series B Dividend Payment Date, Series B Preferred Stock will be redeemable at the option of the Corporation, in whole or in part, on any Series B Dividend Payment Date, at a redemption price equal to \$1,000 per share, plus any declared and unpaid dividends. Holders of Series B Preferred Stock will have no right to require the redemption or repurchase of Series B Preferred Stock. Notwithstanding the foregoing, within 90 days following the occurrence of a Regulatory Capital Treatment Event, the Corporation, at its option, may redeem, at any time, all (but not less than all) of the shares of the Series B Preferred Stock at the time outstanding, at a redemption price equal to \$1,000 per share, plus any declared and unpaid dividends, upon notice given as provided in Subsection (b) below.

(b) If shares of Series B Preferred Stock are to be redeemed, the notice of redemption shall be sent to the holders of record of Series B Preferred Stock to be redeemed, sent not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing Series B Preferred Stock are held in book-entry form through DTC, the Corporation may give such notice in any manner permitted by DTC). Each notice of redemption will include a statement setting forth: (1) the redemption date; (2) the number of shares of Series B Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where the certificates evidencing shares of Series B Preferred Stock are to be surrendered for payment of the redemption price. On and after the redemption date, dividends will cease to accrue on shares of Series B Preferred Stock, and such shares of Series B Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares will terminate, including rights described under Section 6, except the right to receive the redemption price plus any declared and unpaid dividends.

(c) In case of any redemption of only part of the shares of Series B Preferred Stock at the time outstanding, the shares to be redeemed shall be selected *pro rata* or by lot.

(d) Any redemption of the Preferred Stock is subject to the Corporation's receipt of any required prior approval by the Federal Reserve and to the satisfaction of any conditions set forth in the capital adequacy regulations and policies of the Federal Reserve applicable to redemption of the Preferred Stock.

Section 6. Voting Rights.

(a) Except as provided below or as expressly required by law, the holders of shares of Series B Preferred Stock shall have no voting power, and no right to vote on any matter at any time, either as a separate series or class or together with any other series or class of shares of capital stock, and shall not be entitled to call a meeting of such holders for any purpose, nor shall they be entitled to participate in any meeting of the holders of the Common Stock.

(b) So long as any shares of Series B Preferred Stock remain outstanding, the affirmative vote or consent of the holders of at least two-thirds of all of the shares of Series B Preferred Stock at the time outstanding, voting separately as a class, shall be required to: (1) authorize or increase the authorized amount of, or issue shares of any class or series of stock ranking senior to the Series B Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of the Corporation, or issue any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to Series B Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up of the Corporation; (2) amend the provisions of the Corporation's Amended and Restated Certificate of Incorporation, as amended, so as to adversely affect the powers, preferences, privileges or rights of Series B Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued shares of Series B Preferred Stock or authorized Common Stock or Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock ranking equally with or junior to Series B Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) or the distribution of assets upon liquidation, dissolution or winding up of the Corporation will not be deemed to adversely affect the powers, preferences, privileges or rights of Series B Preferred Stock; and (3) consummate a binding share-exchange or reclassification involving the Series B Preferred Stock, or a merger or consolidation of the Corporation with or into another entity unless (i) the shares of the Series B Preferred Stock remain outstanding or are converted into or exchanged for preference securities of the new surviving entity and (ii) the shares of the remaining Series B Preferred Stock or new preferred securities have terms that are not materially less favorable than the Series B Preferred Stock. The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Series B Preferred Stock shall have been redeemed.

(c) If the Corporation fails to pay, or declare and set apart for payment, dividends on outstanding shares of the Series B Preferred Stock for six quarterly dividend periods, whether or not consecutive, the number of directors on the Board shall be increased by two at the Corporation's first annual meeting of the shareholders held thereafter, and at such meeting and at each subsequent annual meeting until continuous noncumulative dividends for at least one year on all outstanding shares of Series B Preferred Stock entitled thereto shall have been paid, in full, the holders of shares of Series B Preferred Stock shall have the right, voting as a class with holders of any other equally ranked series of Preferred Stock that have similar voting rights, to elect such two additional members of the Corporation's Board to hold office for a term of one year; provided that the Corporation's Board shall at no time include more than two additional directors elected by holders of Series B Preferred Stock and any other equally ranked series of Preferred Stock having similar voting rights, if any, voting together as one class. Upon such payment in full, the terms of the two additional directors so elected shall forthwith terminate, and the number of directors shall be reduced by two, and such voting right of the holders of shares of Series B Preferred Stock shall cease, subject to increase in the number of directors as described above and to revesting of such voting right in the event of each and every additional failure in the payment of dividends for six quarterly dividend periods, whether or not consecutive, as described above. In addition, if and when the rights of holders of Series B Preferred Stock terminate for any reason, including under circumstances described above under Section 5, such voting rights shall terminate along with the other rights (except, if applicable, the right to receive the redemption price plus any declared and unpaid dividends as provided for in Section 5), and the terms of any additional directors elected by the holders of Series B Preferred Stock and any other equally ranked series of Preferred Stock having similar voting rights, if any, shall terminate automatically and the number of directors reduced by two, assuming that the rights of holders of such equally ranked series of Preferred Stock have similarly terminated.

Section 7. Conversion Rights. The holders of shares of Series B Preferred Stock shall not have any rights to convert such shares into shares of any other class or series of securities of the Corporation.

Section 8. Preemptive Rights. The holders of shares of Series B Preferred Stock will have no preemptive rights with respect to any shares of the Corporation's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

Section 9. Certificates. The Corporation may at its option issue shares of Series B Preferred Stock without certificates.

Section 10. Transfer Agent. The duly appointed transfer agent for the Series B Preferred Stock shall be Computershare Trust Company, N.A., collectively with Computershare Inc. The Corporation may, in its sole discretion, remove the transfer agent in accordance with the agreement between the Corporation and the transfer agent; provided that the Corporation shall appoint a successor transfer agent who shall accept such appointment prior to the effectiveness of such removal. Upon any such removal or appointment, the Corporation shall send notice thereof to the holders of the Series B Preferred Stock.

Section 11. Registrar. The duly appointed registrar for the Series B Preferred Stock shall be Computershare Trust Company, N.A., collectively with Computershare Inc. The Corporation may, in its sole discretion, remove the registrar in accordance with the agreement between the Corporation and the registrar; provided that the Corporation shall appoint a successor registrar who shall accept such appointment prior to the effectiveness of such removal.

SIDLEYSIDLEY AUSTIN LLP
787 SEVENTH AVENUE
NEW YORK, NY 10019
+1 212 839 5300
+1 212 839 5599 FAX

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February 23, 2024

SYNCHRONY FINANCIAL
777 Long Ridge Road
Stamford, Connecticut 06902Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3, File No. 333-266264 (the "Registration Statement"), filed by SYNCHRONY FINANCIAL, a Delaware corporation (the "Company"), with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), which Registration Statement became effective upon filing pursuant to Rule 462(e) under the Securities Act. Pursuant to the Registration Statement, the Company is issuing 20,000,000 depository shares (the "Depository Shares"), each representing a 1/40th interest in a share of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, par value \$0.001 per share, with a liquidation preference of \$1,000 per share (the "Preferred Stock" and together with the Depository Shares, the "Securities"). The Securities are to be sold by the Company pursuant to an underwriting agreement dated February 15, 2024 (the "Underwriting Agreement") among the Company and the Underwriters named therein.

This opinion letter is being delivered in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

We have examined the (i) Registration Statement, (ii) Underwriting Agreement (iii) the Company's amended and restated certificate of incorporation, (iv) the Certificate of Designations relating to the Preferred Stock and (v) the Deposit Agreement, dated February 23, 2024 (the "Deposit Agreement"), entered into among the Company, Computershare Inc. and Computershare Trust Company, N.A., collectively (the "Depository"), and the holders from time to time of the depository receipts described therein, including the form of depository receipt attached thereto.

We have also examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and statements of the Company and other corporate documents and instruments, and have examined such questions of law, as we have considered relevant and necessary as a basis for this opinion letter. We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of all persons and the conformity with the original documents of any copies thereof submitted to us for

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examination. As to facts relevant to the opinions expressed herein, we have relied without independent investigation or verification upon, and assumed the accuracy and completeness of, certificates, letters and oral and written statements and representations of public officials and officers and other representatives of the Company.

Based on and subject to the foregoing and the other limitations, qualifications and assumptions set forth herein, we are of the opinion that:

1. The issuance of the Preferred Stock covered by the Registration Statement has been duly authorized by all necessary corporate action of the Company and, when duly issued and delivered by the Company pursuant to the Underwriting Agreement against payment of the purchase price set forth therein, the Preferred Stock will be validly issued, fully paid and non-assessable.
2. The issuance of the depositary receipt evidencing the Depositary Shares (the "Depositary Receipt") covered by the Registration Statement has been duly authorized by all necessary corporate action of the Company and, when duly issued in accordance with the provisions of the Underwriting Agreement and the Deposit Agreement, including the deposit of the Preferred Stock with the Depositary pursuant to the terms thereof, such Depositary Shares will be validly issued and will entitle the holders thereof to the rights specified in the Depositary Receipt and the Deposit Agreement.

Our opinion is subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally, including, to the extent applicable, the rights or remedies of creditors of a "financial company" (as defined in Section 201 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) or the affiliates thereof, and to general equitable principles (regardless of whether considered in a proceeding in equity or at law), including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief. Our opinion is also subject to (i) provisions of law which may require that a judgment for money damages rendered by a court in the United States of America be expressed only in United States dollars, (ii) requirements that a claim with respect to any debt securities or other obligations that are denominated or payable other than in United States dollars (or a judgment denominated or payable other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law and (iii) governmental authority to limit, delay or prohibit the making of payments outside of the United States of America or in a foreign currency. In rendering our opinion, we have also assumed that the Deposit Agreement as been duly authorized, executed and delivered by the Depositary.

This opinion letter is limited to the General Corporation Law of the State of Delaware and the laws of the State of New York (excluding the securities laws of the State of New York).

SIDLEY

SYNCHRONY FINANCIAL
February 23, 2024
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We express no opinion as to the laws, rules or regulations of any other jurisdiction, including, without limitation, the federal laws of the United States of America or any state securities or blue sky laws.

We hereby consent to the filing of this opinion letter as an Exhibit to the Registration Statement and to all references to our Firm included in or made a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,
/s/ Sidley Austin LLP