

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended August 31, 2022

OR

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

For the transition period from _____ to _____

Commission File Number: 001-31892



TD SYNEX

TD SYNEX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

44201 Nobel Drive, Fremont, California

(Address of principal executive offices)

94-2703333

(IRS Employer Identification Number)

94538

(Zip Code)

(510) 656-3333

(Registrant's telephone number, including area code)

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	SNX	The New York Stock Exchange

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of September 27, 2022
Common Stock, \$0.001 par value	95,550,456

TD SYNnex CORPORATION

FORM 10-Q
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PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

TD SYNnex CORPORATION **CONSOLIDATED BALANCE SHEETS** (currency and share amounts in thousands, except par value) (unaudited)

	August 31, 2022	November 30, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 350,810	\$ 993,973
Accounts receivable, net	8,114,004	8,310,032
Receivables from vendors, net	942,111	1,118,963
Inventories	9,755,228	6,642,915
Other current assets	720,298	668,261
Total current assets	19,882,451	17,734,144
Property and equipment, net	412,305	483,443
Goodwill	3,775,145	3,917,276
Intangible assets, net	4,455,198	4,913,124
Other assets, net	566,969	618,393
Total assets	\$ 29,092,068	\$ 27,666,380
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings, current	\$ 252,190	\$ 181,256
Accounts payable	13,718,980	12,034,946
Other accrued liabilities	1,959,717	2,017,253
Total current liabilities	15,930,887	14,233,455
Long-term borrowings	3,882,247	3,955,176
Other long-term liabilities	496,038	556,134
Deferred tax liabilities	1,011,242	1,015,640
Total liabilities	21,320,414	19,760,405
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 200,000 shares authorized, 98,475 and 98,204 shares issued as of August 31, 2022 and November 30, 2021, respectively	98	98
Additional paid-in capital	7,339,802	7,271,337
Treasury stock, 3,511 and 2,633 shares as of August 31, 2022 and November 30, 2021, respectively	(290,161)	(201,139)
Accumulated other comprehensive loss	(793,878)	(336,194)
Retained earnings	1,515,793	1,171,873
Total stockholders' equity	7,771,654	7,905,975
Total liabilities and equity	\$ 29,092,068	\$ 27,666,380

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(currency and share amounts in thousands, except per share amounts)
(unaudited)

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Revenue	\$ 15,356,085	\$ 5,207,064	\$ 46,095,853	\$ 16,002,904
Cost of revenue	(14,440,055)	(4,894,442)	(43,255,373)	(15,056,539)
Gross profit	916,030	312,622	2,840,480	946,365
Selling, general and administrative expenses	(628,078)	(160,285)	(1,951,503)	(498,443)
Acquisition, integration and restructuring costs	(46,418)	(4,133)	(172,266)	(10,068)
Operating income	241,534	148,204	716,711	437,853
Interest expense and finance charges, net	(52,119)	(26,365)	(142,430)	(71,766)
Other (expense) income, net	(1,852)	4,796	(12,375)	2,707
Income before income taxes	187,563	126,635	561,906	368,794
Provision for income taxes	(38,728)	(31,931)	(131,830)	(93,165)
Net income	\$ 148,835	\$ 94,705	\$ 430,076	\$ 275,628
Earnings per common share:				
Basic	\$ 1.55	\$ 1.82	\$ 4.48	\$ 5.32
Diluted	\$ 1.55	\$ 1.81	\$ 4.47	\$ 5.27
Weighted-average common shares outstanding:				
Basic	95,115	51,275	95,355	51,204
Diluted	95,407	51,766	95,648	51,679

(Amounts may not add due to rounding)

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TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(currency in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Net income	\$ 148,835	\$ 94,705	\$ 430,076	\$ 275,628
Other comprehensive (loss) income:				
Unrealized gains on cash flow hedges during the period, net of tax (expense) benefit of (\$2,621) and (\$184) for the three months ended August 31, 2022 and 2021, respectively, and (\$9,043) and \$357 for the nine months ended August 31, 2022 and 2021, respectively	8,024	500	27,654	1,696
Reclassification of net losses on cash flow hedges to net income, net of tax (benefit) of (\$1,367) and (\$2,636) for the three months ended August 31, 2022, and 2021, respectively, and (\$6,051) and (\$7,796) for the nine months ended August 31, 2022 and 2021, respectively	4,185	8,084	18,499	23,908
Total change in unrealized gains on cash flow hedges, net of taxes	12,209	8,584	46,153	25,604
Foreign currency translation adjustments, net of tax benefit (expense) of \$22 and \$308 for the three months ended August 31, 2022 and 2021, respectively, and (\$84) and (\$936) for the nine months ended August 31, 2022 and 2021, respectively	(336,271)	(20,194)	(503,837)	8,375
Other comprehensive (loss) income	(324,062)	(11,610)	(457,684)	33,979
Comprehensive (loss) income	\$ (175,227)	\$ 83,095	\$ (27,608)	\$ 309,607

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(currency in thousands, except per share amounts)
(unaudited)

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Total Stockholders' equity, beginning balance	\$ 7,981,665	\$ 2,255,668	\$ 7,905,975	\$ 4,338,860
Common stock and additional paid-in capital:				
Beginning balance	7,315,762	1,605,730	7,271,435	1,591,590
Share-based compensation	19,554	6,509	59,809	18,147
Common stock issued for employee benefit plans	1,944	3,503	6,016	6,006
Purchase of noncontrolling interest	2,640	—	2,640	—
Ending balance	7,339,900	1,615,742	7,339,900	1,615,742
Treasury stock:				
Beginning balance	(259,800)	(192,171)	(201,139)	(191,216)
Repurchases of common stock for tax withholdings on equity awards	(105)	(145)	(5,986)	(1,100)
Repurchases of common stock	(30,256)	—	(83,036)	—
Ending balance	(290,161)	(192,316)	(290,161)	(192,316)
Retained earnings:				
Beginning balance	1,395,519	987,277	1,171,873	3,133,058
Separation of Concentrix	—	—	—	(2,305,982)
Net income	148,835	94,705	430,076	275,628
Cash dividends declared	(28,561)	(10,340)	(86,156)	(31,062)
Ending balance	1,515,793	1,071,642	1,515,793	1,071,642
Accumulated other comprehensive loss:				
Beginning balance	(469,816)	(145,169)	(336,194)	(194,572)
Separation of Concentrix	—	—	—	3,813
Other comprehensive (loss) income	(324,062)	(11,610)	(457,684)	33,979
Ending balance	(793,878)	(156,779)	(793,878)	(156,779)
Total stockholders' equity, ending balance	\$ 7,771,654	\$ 2,338,290	\$ 7,771,654	\$ 2,338,290
Cash dividends declared per share	\$ 0.30	\$ 0.20	\$ 0.90	\$ 0.60

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(currency in thousands)
(unaudited)

	Nine Months Ended	
	August 31, 2022	August 31, 2021
Cash flows from operating activities:		
Net income	\$ 430,076	\$ 275,628
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	356,643	46,794
Share-based compensation	59,809	18,147
Provision for doubtful accounts	26,270	2,679
Other	6,988	1,847
Changes in operating assets and liabilities, net of the impact of Concentrix separation:		
Accounts receivable, net	(272,668)	571,746
Receivables from vendors, net	113,467	24,747
Inventories	(3,353,991)	(183,777)
Accounts payable	2,220,907	(533,945)
Other operating assets and liabilities	60,706	24,926
Net cash (used in) provided by operating activities	(351,793)	248,791
Cash flows from investing activities:		
Purchases of property and equipment	(78,522)	(14,111)
Other	1,541	11,241
Net cash used in investing activities	(76,981)	(2,870)
Cash flows from financing activities:		
Dividends paid	(86,156)	(31,062)
Repurchases of common stock	(83,036)	—
Net borrowings (repayments) on revolving credit loans	81,992	(64,481)
Principal payments on long term debt	(71,411)	—
Proceeds from issuance of common stock	6,016	6,006
Repurchases of common stock for tax withholdings on equity awards	(5,986)	(1,100)
Other	(665)	—
Net transfer of cash and cash equivalents to Concentrix	—	(149,948)
Proceeds from issuance of Bonds	—	2,500,000
Debt issuance cost	—	(26,759)
Net cash (used in) provided by financing activities	(159,246)	2,232,658
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(55,916)	3,479
Net (decrease) increase in cash, cash equivalents and restricted cash	(643,936)	2,482,057
Cash, cash equivalents and restricted cash at beginning of period	994,913	1,568,870
Cash, cash equivalents and restricted cash at end of period	\$ 350,977	\$ 4,050,929
Supplemental disclosure of non-cash financing activities:		
Net assets transferred to Concentrix	\$ —	\$ 2,322,598

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended August 31, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

NOTE 1—ORGANIZATION AND BASIS OF PRESENTATION:

TD SYNnex Corporation (together with its subsidiaries, herein referred to as “SYNNEX”, “TD SYNnex” or the “Company”) is a leading global distributor and solutions aggregator for the information technology (“IT”) ecosystem, headquartered in Fremont, California and Clearwater, Florida and has operations in North and South America, Europe and Asia-Pacific and Japan.

On December 1, 2020, the Company completed the previously announced separation of its customer experience services business (the “Separation”), in a tax-free transaction for federal income tax purposes, which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation (“Concentrix”). SYNnex stockholders received one share of Concentrix common stock for every share of SYNnex common stock held at the close of business on the record date. The Company distributed 51.6 million shares of Concentrix common stock to its stockholders. Concentrix is now an independent public company trading under the symbol “CNXC” on the Nasdaq Stock Market. After the Separation, the Company does not beneficially own any shares of Concentrix’ common stock. Beginning December 1, 2020, the Company no longer consolidates Concentrix within its financial results or reflects the financial results of Concentrix within its continuing results of operations.

In connection with the Separation, the Company and Concentrix entered into a separation and distribution agreement as well as various other agreements that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide certain limited services to the Company following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the “Merger Agreement”) which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation (“Tech Data”) through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the “Merger”). On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex valued at approximately \$5.61 billion. The combined company is referred to as TD SYNnex. References to the “Company” indicate TD SYNnex for periods after the Merger and SYNnex for periods prior to the Merger.

The Consolidated Financial Statements include the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries in which no substantive participating rights are held by minority stockholders and variable interest entities if the Company is the primary beneficiary. All intercompany accounts and transactions have been eliminated. The Company operates on a fiscal year that ends on November 30.

The accompanying interim unaudited Consolidated Financial Statements as of August 31, 2022 and for the three and nine months ended August 31, 2022 and 2021 have been prepared by the Company, without audit, in accordance with the rules and regulations of the United States (“U.S.”) Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) in the United States have been condensed or omitted in accordance with such rules and regulations. In the opinion of management, the accompanying unaudited Consolidated Financial Statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to state fairly the financial position of the Company and its results of operations and cash flows as of and for the periods presented. These financial statements should be read in conjunction with the annual audited financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

Interim results of operations are not necessarily indicative of financial results for a full year, and the Company makes no representations related thereto. Certain columns and rows may not add due to the use of rounded numbers.

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended August 31, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

For a discussion of the Company's significant accounting policies, refer to the discussion in the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2021. Accounting pronouncements adopted during the nine months ended August 31, 2022 are discussed below.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that the Company believes are reasonable.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and work force participation and created volatility and disruption of financial markets. Despite improvements in the global economy since the onset of the pandemic, resurgences of COVID-19 variants and the related impacts bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and customer demand and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. Consequently, many of the estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, these estimates may change in future periods. Actual results could differ from the estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, accounts receivable, receivables from vendors and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit standing, and their compositions and maturities are regularly monitored by management. The Company has not experienced any material credit losses on such deposits and derivative instruments.

Accounts receivable include amounts due from customers, including related party customers. Receivables from vendors, net, includes amounts due from original equipment manufacturer ("OEM") vendors. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for expected credit losses. In estimating the required allowances, the Company takes into consideration the overall quality and aging of its receivable portfolio, the existence of credit insurance and specifically identified customer and vendor risks. The Company also considers risks attributed to COVID-19 in establishing the required allowances.

The following table provides revenue generated from products purchased from vendors that exceeded 10% of our consolidated revenue for the periods indicated (as a percent of consolidated revenue):

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Apple, Inc.	12 %	N/A ⁽¹⁾	11 %	N/A ⁽¹⁾
HP Inc.	10 %	13 %	10 %	13 %

⁽¹⁾ Revenue generated from products purchased from this vendor was less than 10% of consolidated revenue during the period presented.

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended August 31, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
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One customer accounted for 12% of the Company's total revenue during the three months ended August 31, 2022. No single customer accounted for more than 10% of the Company's total revenue during the nine months ended August 31, 2022. One customer accounted for 23% and 29% of the Company's total revenue during the three and nine months ended August 31, 2021, respectively. As of August 31, 2022 and November 30, 2021, no single customer comprised more than 10% of the consolidated accounts receivable balance.

Accounts Receivable

The Company maintains an allowance for doubtful accounts as an estimate to cover the future expected credit losses resulting from uncertainty regarding collections from customers or OEM vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration historical credit losses, current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for differences in current conditions as well as changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Expected credit losses are estimated on a pool basis when similar risk characteristics exist using an age-based reserve model. Receivables that do not share risk characteristics are evaluated on an individual basis.

The Company has uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable of certain customers and their affiliates may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent on the level of the Company's trade accounts receivable with these customers and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs also require that the Company continue to service, administer and collect the sold accounts receivable. As of August 31, 2022 and November 30, 2021, accounts receivable sold to and held by the financial institutions under these programs were \$1.35 billion and \$759.9 million, respectively. Discount fees related to the sale of trade accounts receivable under these facilities are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. Discount fees for these programs totaled \$5.0 million and \$11.9 million in the three and nine months ended August 31, 2022, respectively, and \$0.6 million and \$1.8 million in the three and nine months ended August 31, 2021, respectively.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is computed based on the weighted-average method. Inventories are comprised of finished goods and work-in-process. Finished goods include products purchased for resale, system components purchased for both resale and for use in the Company's projects and integration-based completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

Segments

Operating segments are based on components of the Company that engage in business activities that earn revenues and incur expenses (a) whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resource allocation and performance and (b) for which discrete financial information is available.

Prior to the Separation, the Company had two reportable segments: Technology Solutions and Concentrix. After giving effect to the Separation of the Concentrix segment, the Company operated with one reportable segment: Technology Solutions. After completion of the Merger, the Company reviewed its reportable segments as there was a change in its chief executive officer, who is also the Company's chief operating decision maker. The Company's chief operating decision maker has a leadership structure aligned with the geographic regions of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic regions. As a result, as of September 1, 2021 the Company began operating in three reportable segments based on its geographic regions: the Americas, Europe and APJ.

Seasonality

The Company's operating results are affected by the seasonality of the IT products industry. The Company has historically experienced higher sales in the first and fourth fiscal quarters due to patterns in capital budgeting, government spending and purchasing cycles of its customers and end-users. These historical patterns may not be repeated in subsequent periods.

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended August 31, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
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Revenue Recognition

The Company generates revenue primarily from the sale of various IT products.

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders from customers together with agreement to the Company's terms and conditions of sale by way of an executed agreement or other signed documents are considered to be the contract with a customer. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company can objectively verify the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected from customers and remitted to government authorities. The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the periods presented.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. A liability is recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be recorded in inventory upon product return. These provisions are reviewed and adjusted periodically by the Company. Revenue is reduced for early payment discounts and volume incentive rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract software support services and extended warranty contracts.

The Company considers shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control of the product is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Financial Statements to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

Recently Adopted Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued new guidance that simplifies the accounting for income taxes. The guidance is effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments should be applied prospectively, while other amendments should be applied retrospectively to all periods presented. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In October 2021, the FASB issued new guidance which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers." Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically, such amounts were recognized by the acquirer at fair value in acquisition accounting. The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years (the fiscal

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended August 31, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

quarter ending February 28, 2023 for the Company), and should be applied prospectively to acquisitions occurring on or after the effective date. Early adoption is permitted. The Company adopted this standard during the fiscal quarter ended February 28, 2022 and will apply the guidance prospectively to future acquisitions.

Recently Issued Accounting Pronouncements

In March 2020, the FASB issued optional guidance for a limited time to ease the potential burden in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Interbank Offered Rate (“LIBOR”) on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are elective and are effective upon issuance for all entities through December 31, 2022, and subject to a proposed extension to December 31, 2024. The Company does not currently expect any material impacts from the adoption of this new guidance.

NOTE 3—ACQUISITIONS:

Tech Data Merger

On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for an aggregate purchase price of \$7.22 billion, comprised of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex, valued at approximately \$5.61 billion based on the closing price of the Company’s common stock on September 1, 2021. The Merger created a leading global distributor and solutions aggregator for the IT ecosystem. The Company used the net proceeds from the issuance of new Senior Notes, borrowings under its new credit agreement and cash on hand to fund the above payments. Additionally, the Company repaid the majority of Tech Data’s outstanding debt after the Merger, including approximately \$2.4 billion outstanding under Tech Data’s existing Asset-Based Credit Agreement and approximately \$0.2 billion of outstanding Tech Data Senior Notes.

The Company has accounted for the Merger as a business combination and allocated the purchase price to the fair values of Tiger Parent (AP) Corporation’s assets acquired and liabilities assumed. As of August 31, 2022, the Company has completed its evaluation of assets acquired and liabilities assumed and finalized all related estimates. During the nine months ended August 31, 2022, the Company updated the fair values of certain assets acquired and liabilities assumed, including an increase in goodwill of \$44 million, an increase in deferred tax liabilities of \$38 million, a decrease in net vendor receivables of \$21 million and an increase in inventory of \$9 million. As the measurement period has concluded, the impact of any future adjustments to the assets acquired and liabilities assumed will be recorded in the Consolidated Statement of Operations in the period such change occurs.

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The allocation of the purchase price is as follows:

Cash and cash equivalents	\$ 702,907
Accounts receivable, net	5,156,809
Receivables from vendors, net	709,629
Inventories	3,002,641
Other current assets	397,807
Property and equipment	347,532
Goodwill	3,588,317
Intangible assets	4,933,900
Other assets	473,194
Total assets	19,312,736
Borrowings, current	493,076
Accounts payable	6,613,664
Other accrued liabilities	1,251,049
Long-term borrowings	2,218,672
Other long-term liabilities	412,526
Deferred tax liabilities	1,099,349
Total liabilities	12,088,336
 Purchase consideration	 <u><u>\$ 7,224,400</u></u>

The allocation of the value of identifiable intangible assets is as follows:

	Fair value	Weighted average useful life
Customer relationships	\$ 3,860,200	14 years
Trade name	1,073,700	Indefinite lived
Total intangibles acquired	<u><u>\$ 4,933,900</u></u>	

Goodwill is the excess of the consideration transferred over the net assets recognized and primarily represents future economic benefits arising from assets acquired that are not individually identified and separately recognized, including synergies inherent in the acquired business, of which approximately \$500 million is expected to be deductible for tax purposes.

Included within the Company's Consolidated Statement of Operations are revenues for the nine months ended August 31, 2022, of approximately \$28 billion from Tech Data. As the Company began integrating certain sales and other functions after the closing of the acquisition, these amounts represent an estimate of the Tech Data revenues for the nine months ended August 31, 2022. It is not necessarily indicative of how the Tech Data operations would have performed on a stand-alone basis. As a result of certain integration activities subsequent to the date of acquisition, it is impracticable to disclose net income from Tech Data for the period subsequent to the acquisition date.

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The following table presents unaudited supplemental pro forma information as if the Merger had occurred at the beginning of fiscal 2020, after giving effect to certain adjustments related to the transaction. The pro forma results exclude any benefits that may result from potential cost savings and certain non-recurring costs. As a result, the pro forma information below does not purport to present what actual results would have been had the Merger been consummated on the date indicated and it is not necessarily indicative of the results of operations that may result in the future.

	Three Months Ended August 31, 2021	Nine Months Ended August 31, 2021
Revenue	\$ 14,339,201	\$ 45,012,301
Net income	\$ 111,215	\$ 355,919

Adjustments reflected in the pro forma results include the following:

- Amortization of acquired intangible assets
- Interest costs associated with the Merger
- Tax effects of adjustments based on an estimated statutory tax rate

NOTE 4—ACQUISITION, INTEGRATION AND RESTRUCTURING COSTS:

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger and costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”).

The Merger

The Company incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, long-lived assets charges and stock-based compensation expense. Professional services costs are primarily comprised of IT and other consulting services, as well as legal expenses. Personnel and other costs are primarily comprised of costs related to retention and other bonuses, as well as severance and duplicative labor costs. Long-lived assets charges are primarily comprised of accelerated depreciation and amortization expense of \$57.3 million recorded during the nine months ended August 31, 2022 due to changes in asset useful lives in conjunction with the consolidation of certain IT systems, as well as impairment charges. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted shares of TD SYNnex (refer to [Note 5](#) - Share-Based Compensation for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

During the three and nine months ended August 31, 2022 and August 31, 2021, acquisition and integration expenses related to the Merger were composed of the following:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Professional services costs	\$ 6,514	\$ 3,114	\$ 20,455	\$ 7,109
Personnel and other costs	11,699	1,019	27,047	2,959
Long-lived assets charges	8,693	—	61,564	—
Stock-based compensation	12,911	—	39,376	—
Total	<u>\$ 39,817</u>	<u>\$ 4,133</u>	<u>\$ 148,442</u>	<u>\$ 10,068</u>

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNnex continued this program in conjunction with the Company’s integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other costs. Restructuring costs are comprised of severance costs and other

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associated exit costs, including certain consulting costs. Other costs are primarily comprised of personnel costs, facilities costs and certain professional services fees not related to restructuring activities.

Acquisition, integration and restructuring costs under the GBO 2 Program for fiscal 2022 included the following:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
Restructuring costs	\$ 4,654	\$ 15,438
Other costs	1,947	8,386
Total	\$ 6,601	\$ 23,824

Restructuring costs under the GBO 2 Program for fiscal 2022 were composed of the following:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
Severance	\$ 2,099	\$ 3,200
Other exit costs	2,555	12,238
Total	\$ 4,654	\$ 15,438

Restructuring costs related to the GBO 2 Program by segment are as follows:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
Americas	\$ 1,354	\$ 4,776
Europe	3,248	10,193
APJ	52	469
Total	4,654	\$ 15,438

Restructuring activity during the nine months ended August 31, 2022 related to the GBO 2 Program is as follows:

	Severance and Benefits	Other Exit Costs	Total
Accrued balance as of November 30, 2021	\$ 4,918	\$ 1,591	\$ 6,509
Expenses	3,200	12,238	15,438
Cash payments	(4,956)	(12,898)	(17,854)
Foreign currency translation	(29)	(429)	(458)
Accrued balance as of August 31, 2022	\$ 3,133	\$ 502	\$ 3,635

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NOTE 5—SHARE-BASED COMPENSATION:

Overview of TD SYNnex Stock Incentive Plans

The Company recognizes share-based compensation expense for all share-based awards made to employees and directors, including employee stock options, restricted stock awards ("RSAs"), restricted stock units ("RSUs"), performance-based RSUs and employee stock purchases, based on estimated fair values.

The following tables summarize the Company's share-based awards activity for TD SYNnex stock incentive plans during the nine months ended August 31, 2022.

A summary of the changes in the Company's stock options is set forth below:

	Stock options
Balances, November 30, 2021	689
Granted	9
Exercised	(59)
Balances, August 31, 2022	639

A summary of the changes in the Company's non-vested RSAs and RSUs is presented below:

	RSAs and RSUs
Nonvested at November 30, 2021	1,066
Granted	257
Vested	(172)
Canceled	(68)
Nonvested at August 31, 2022	1,083

A summary of share-based compensation expense in the Consolidated Statements of Operations for TD SYNnex stock incentive plans is presented below:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Selling, general and administrative expenses	\$ 6,643	\$ 6,509	\$ 20,431	\$ 18,147
Acquisition, integration and restructuring costs (on awards issued in connection with the Merger)	1,511	—	4,910	—
Total share-based compensation expense	\$ 8,154	\$ 6,509	\$ 25,341	\$ 18,147

Tech Data Equity Awards

Prior to the Merger, certain of Tech Data's employees were granted performance-based equity awards in Tiger Parent Holdings L.P., a partnership entity that was the parent company of Tiger Parent (AP) Corporation and Tech Data, that were unvested at the time of the closing of the Merger. Upon closing of the Merger, the unvested performance-based equity awards were converted into restricted shares of TD SYNnex that vest over two years.

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The following table summarizes the activity related to these restricted shares during the nine months ended August 31, 2022:

	Restricted shares
Nonvested at November 30, 2021	751
Vested	(6)
Canceled	(32)
Nonvested at August 31, 2022	713

The restricted shares had a fair value of \$127.60 per share upon closing of the Merger which is being recorded as share-based compensation expense on a straight-line basis over the vesting period in “Acquisition, integration, and restructuring costs” in the Consolidated Statement of Operations. The Company recorded \$11.4 million and \$34.5 million of share-based compensation expense related to these restricted shares in “Acquisition, integration, and restructuring costs” during the three and nine months ended August 31, 2022, respectively. As of August 31, 2022, there was \$45.5 million of total unamortized share-based compensation expense related to these restricted shares to be recognized over a weighted-average amortization period of 1 year. An additional 357 shares vested on September 1, 2022, one year after the date of the Merger.

NOTE 6—BALANCE SHEET COMPONENTS:

Cash, cash equivalents and restricted cash:

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same amounts shown in the Consolidated Statements of Cash Flows:

	As of	
	August 31, 2022	November 30, 2021
Cash and cash equivalents	\$ 350,810	\$ 993,973
Restricted cash included in other current assets	167	940
Cash, cash equivalents and restricted cash	\$ 350,977	\$ 994,913

Accounts receivable, net:

	As of	
	August 31, 2022	November 30, 2021
Accounts receivable	\$ 8,237,588	\$ 8,424,868
Less: Allowance for doubtful accounts	(123,584)	(114,836)
Accounts receivable, net	\$ 8,114,004	\$ 8,310,032

Receivables from vendors, net:

	As of	
	August 31, 2022	November 30, 2021
Receivables from vendors	\$ 954,525	\$ 1,130,091
Less: Allowance for doubtful accounts	(12,414)	(11,128)
Receivables from vendors, net	\$ 942,111	\$ 1,118,963

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Allowance for doubtful trade receivables:

Balance at November 30, 2021	\$	114,836
Additions		26,270
Write-offs, reclassifications and foreign exchange translation		(17,522)
Balance at August 31, 2022	\$	123,584

Allowance for doubtful receivables from vendors:

Balance at November 30, 2021	\$	11,128
Additions		2,344
Write-offs, reclassifications and foreign exchange translation		(1,058)
Balance at August 31, 2022	\$	12,414

Accumulated other comprehensive loss:

The components of accumulated other comprehensive loss ("AOCI"), net of taxes, were as follows:

	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and other, net of taxes	Total
Balance as of November 30, 2021	\$ (48,803)	\$ (287,391)	\$ (336,194)
Other comprehensive income (loss) before reclassification	27,654	(503,837)	(476,183)
Reclassification of losses from accumulated other comprehensive loss	18,499	—	18,499
Balance as of August 31, 2022	\$ (2,650)	\$ (791,228)	\$ (793,878)

Refer to [Note 7](#) - Derivative Instruments for the location of gains and losses reclassified from AOCI to the Consolidated Statements of Operations.

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NOTE 7—DERIVATIVE INSTRUMENTS:

In the ordinary course of business, the Company is exposed to foreign currency risk, interest rate risk, equity risk, commodity price changes and credit risk. The Company enters into transactions, and owns monetary assets and liabilities, that are denominated in currencies other than the legal entity's functional currency. The Company may enter into forward contracts, option contracts, swaps, or other derivative instruments to offset a portion of the risk on expected future cash flows, earnings, net investments in certain international subsidiaries and certain existing assets and liabilities. However, the Company may choose not to hedge certain exposures for a variety of reasons including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures. There can be no assurance the hedges will offset more than a portion of the financial impact resulting from movements in foreign currency exchange or interest rates. The Company does not use derivative instruments to cover equity risk and credit risk. The Company's hedging program is not used for trading or speculative purposes.

All derivatives are recognized on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded in the Consolidated Statements of Operations, or as a component of AOCI in the Consolidated Balance Sheets, as discussed below.

Cash Flow Hedges

The Company uses interest rate swap derivative contracts to economically convert a portion of its variable-rate debt to fixed-rate debt. The swaps have maturities at various dates through October 2023. Gains and losses on cash flow hedges are recorded in AOCI until the hedged item is recognized in earnings. Deferred gains and losses associated with cash flow hedges of interest payments are recognized in "Interest expense and finance charges, net" in the same period as the related expense is recognized. Derivative instruments designated as cash flow hedges must be de-designated as hedges when it is probable the forecasted hedged transaction will not occur in the initially identified time period or within a subsequent two-month time period. Deferred gains and losses in AOCI associated with such derivative instruments are reclassified into earnings in the period of de-designation. Any subsequent changes in fair value of such derivative instruments are recorded in earnings unless they are re-designated as hedges of other transactions.

Non-Designated Derivatives

The Company uses short-term forward contracts to offset the foreign exchange risk of assets and liabilities denominated in currencies other than the functional currency of the respective entities. These contracts, which are not designated as hedging instruments, mature or settle within twelve months. Derivatives that are not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

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Fair Values of Derivative Instruments in the Consolidated Balance Sheets

The fair values of the Company's derivative instruments are disclosed in [Note 8](#) - Fair Value Measurements and summarized in the table below:

Balance Sheet Line Item	Value as of	
	August 31, 2022	November 30, 2021
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	\$ 1,645,291	\$ 1,217,595
Other current assets	21,910	13,764
Other accrued liabilities	10,715	2,992
Derivative instruments designated as cash flow hedges:		
Interest rate swaps (notional value)	\$ 1,100,000	\$ 1,500,000
Other current assets	6,690	—
Other assets, net	1,157	—
Other accrued liabilities	—	38,670
Other long-term liabilities	—	24,151

The Company terminated interest rate swaps with a notional value of \$400 million in December 2021. Cumulative losses on the terminated interest rate swaps of \$16 million will be reclassified from AOCI to "Interest expense and finance charges, net" over the period through September 2023.

Volume of Activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the Australian dollar, Brazilian real, British pound, Canadian dollar, Chinese yuan, Czech koruna, Danish krone, Euro, Indian rupee, Indonesian rupiah, Japanese yen, Mexican peso, Norwegian krone, Philippine peso, Polish zloty, Singapore dollar, Swedish krona, Swiss franc and Turkish lira that will be bought or sold at maturity. The notional amounts for outstanding derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Company's exposure to credit or market loss. The Company's exposure to credit loss and market risk will vary over time as currency and interest rates change.

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The Effect of Derivative Instruments on AOCI and the Consolidated Statements of Operations

The following table shows the gains and losses, before taxes, of the Company's derivative instruments designated as cash flow hedges in Other Comprehensive Income ("OCI") and not designated as hedging instruments in the Consolidated Statements of Operations for the periods presented:

	Location of Gains (Losses) in Income	Three Months Ended		Nine Months Ended	
		August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Derivative instruments designated as cash flow hedges:					
Gains recognized in OCI on interest rate swaps		\$ 10,645	\$ 684	\$ 36,696	\$ 1,339
Losses on interest rate swaps reclassified from AOCI into income	Interest expense and finance charges, net	\$ (5,552)	\$ (10,721)	\$ (24,550)	\$ (31,704)
Derivative instruments not designated as hedging instruments:					
Gains recognized from foreign exchange forward contracts, net ⁽¹⁾	Cost of revenue	\$ 36,804	\$ —	\$ 40,922	\$ —
(Losses) gains recognized from foreign exchange forward contracts, net ⁽¹⁾	Other (expense) income, net	(3,285)	1,782	(4,444)	(7,347)
Losses recognized from interest rate swaps, net	Interest expense and finance charges, net	—	—	—	(128)
Total		\$ 33,519	\$ 1,782	\$ 36,478	\$ (7,475)

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

There were no material gain or loss amounts excluded from the assessment of effectiveness. Existing net losses in AOCI that are expected to be reclassified into earnings in the normal course of business within the next twelve months are \$2 million.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the Company's obligations to the counterparties. The Company manages the potential risk of credit losses through careful evaluation of counterparty credit standing and selection of counterparties from a limited group of financial institutions.

On September 20, 2022, the Company entered into foreign currency forward contracts with an aggregate notional value of \$524 million to hedge a portion of its net investment in Euro denominated foreign operations which are designated as net investment hedges. The Company entered into the net investment hedges to offset the risk of change in the U.S. dollar value of the Company's investments in Euro functional subsidiaries due to fluctuating foreign exchange rates. Beginning in the fourth quarter of fiscal year 2022, the gains and losses on net investment hedges will be recorded in other comprehensive income (loss) until the sale or substantially complete liquidation of the underlying assets of the Company's investment. The initial fair value of hedge components excluded from the assessment of effectiveness will be recognized in the Consolidated Statement of Operations under a systematic and rational method over the life of the hedging instrument.

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NOTE 8—FAIR VALUE MEASUREMENTS:

The Company's fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on a recurring basis:

	As of August 31, 2022				As of November 30, 2021			
	Fair value measurement category				Fair value measurement category			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Forward foreign currency exchange contracts	\$ 21,910	\$ —	\$ 21,910	\$ —	\$ 13,764	\$ —	\$ 13,764	\$ —
Interest rate swaps	7,847	—	7,847	—	—	—	—	—
Liabilities:								
Forward foreign currency exchange contracts	\$ 10,715	\$ —	\$ 10,715	\$ —	\$ 2,992	\$ —	\$ 2,992	\$ —
Interest rate swaps	—	—	—	—	62,821	—	62,821	—

The fair values of forward exchange contracts are measured based on the foreign currency spot and forward rates quoted by the banks or foreign currency dealers. Fair values of interest rate swaps are measured using standard valuation models using inputs that are readily available in public markets, or can be derived from observable market transactions, including LIBOR spot and forward rates. The effect of nonperformance risk on the fair value of derivative instruments was not material as of August 31, 2022 and November 30, 2021.

The carrying values of accounts receivable, accounts payable and short-term debt approximate fair value due to their short maturities and interest rates which are variable in nature. The carrying value of the Company's term loans approximate their fair value since they bear interest rates that are similar to existing market rates. The estimated fair value of the Senior Notes was approximately \$2.16 billion and \$2.45 billion at August 31, 2022 and November 30, 2021, respectively.

During the nine months ended August 31, 2022, there were no transfers between the fair value measurement category levels.

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NOTE 9—BORROWINGS:

Borrowings consist of the following:

	As of	
	August 31, 2022	November 30, 2021
Committed and uncommitted revolving credit facilities and borrowings	\$ 177,190	\$ 106,256
Current portion of TD SYNnex term loan	75,000	75,000
Borrowings, current	<u>\$ 252,190</u>	<u>\$ 181,256</u>
TD SYNnex term loan	\$ 1,368,750	\$ 1,425,000
TD SYNnex Senior Notes	2,500,000	2,500,000
Other credit agreements and long-term debt	49,579	72,258
Long-term borrowings, before unamortized debt discount and issuance costs	\$ 3,918,329	\$ 3,997,258
Less: unamortized debt discount and issuance costs	(36,082)	(42,082)
Long-term borrowings	<u>\$ 3,882,247</u>	<u>\$ 3,955,176</u>

TD SYNnex United States Accounts Receivable Securitization Arrangement

In the United States, the Company has an accounts receivable securitization program to provide additional capital for its operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, the Company and its subsidiaries that are party to the U.S. AR Arrangement can borrow up to a maximum of \$1.5 billion based upon eligible trade accounts receivable. The U.S. AR Arrangement has a maturity date of December 2024. The effective borrowing cost under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rates and a rate based upon SOFR. In addition, a program fee payable on the used portion of the lenders’ commitment accrues at 0.75% per annum. A facility fee is payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time.

Under the terms of the U.S. AR Arrangement, the Company and certain of its U.S. subsidiaries sell, on a revolving basis, their receivables (other than certain excluded receivables) to a wholly-owned, bankruptcy-remote subsidiary. Such receivables, which are recorded in the Consolidated Balance Sheet, totaled approximately \$2.9 billion as of August 31, 2022. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by the Company’s bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on the Company’s Consolidated Balance Sheets.

There were no amounts outstanding under the U.S. AR Arrangement at August 31, 2022 or November 30, 2021.

TD SYNnex Credit Agreement

The Company is party to a credit agreement, dated as of April 16, 2021 (the “TD SYNnex Credit Agreement”) with the lenders party thereto and Citibank, N.A., as agent, pursuant to which the Company received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3.5 billion, which revolving credit facility (the “TD SYNnex revolving credit facility”) may, at the request of the Company but subject to the lenders’ discretion, potentially be increased by up to an aggregate amount of \$500.0 million. There were no amounts outstanding under the TD SYNnex revolving credit facility at August 31, 2022 or November 30, 2021. The TD SYNnex Credit Agreement also includes a fully funded senior unsecured term loan (the “TD SYNnex term loan” and, together with the TD SYNnex revolving credit facility, the “TD SYNnex credit facilities”) that had an original aggregate principal amount of \$1.5 billion and has begun amortizing as described below. The borrower under the TD SYNnex credit facilities is the Company. There are no guarantors of the TD SYNnex credit facilities. The maturity of the TD SYNnex credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026,

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subject in the case of the revolving credit facility, to two one-year extensions upon the Company's prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNnex term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNnex Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on the Company's public debt rating (as defined in the TD SYNnex Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee which ranges from 0.125% to 0.300% on any unused commitment under the TD SYNnex revolving credit facility based on the Company's public debt rating. The effective interest rate for the TD SYNnex term loan was 3.91% and 1.49% as of August 31, 2022 and November 30, 2021, respectively.

The TD SYNnex Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restricts the ability of the Company and its subsidiaries to take certain actions. The TD SYNnex Credit Agreement also contains financial covenants which require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNnex credit facilities. The TD SYNnex Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

TD SYNnex Senior Notes

On August 9, 2021, the Company completed its offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due August 9, 2024, \$700.0 million of 1.75% senior notes due August 9, 2026, \$600.0 million of 2.375% senior notes due August 9, 2028, and \$500.0 million of 2.65% senior notes due August 9, 2031 (collectively, the "Senior Notes," and such offering, the "Senior Notes Offering"). The Company incurred \$19.6 million towards issuance costs on the Senior Notes. The Company pays interest semi-annually on the notes on each of February 9 and August 9. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of the Company's existing indebtedness and pay related fees and expenses and for general purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). The Company may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the "2024 Par Call Date") in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the "2026 Par Call Date") in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the "2028 Par Call Date") in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the "2031 Par Call Date" and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a "Par Call Date" and together, the "Par Call Dates"), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. The Company may also redeem the Senior Notes of any series at its option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

On June 14, 2022, the Company commenced an offer to exchange (the "Exchange Offer") its outstanding unregistered Senior Notes for new registered notes (the "Exchange Notes"). The purpose of the Exchange Offer was to fulfill the Company's obligations under the applicable registration rights agreement entered into in connection with the issuance of the Senior Notes. The Company did not receive any proceeds from the Exchange Offer, and the aggregate principal amount of Exchange Notes that were issued was equal to the aggregate principal amount of Senior Notes that were surrendered pursuant to the Exchange Offer. The terms of the Exchange Notes are substantially identical to the terms

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of the respective series of the Senior Notes, except that the Exchange Notes are registered under the Securities Act, and certain transfer restrictions, registration rights, and additional interest provisions relating to the Senior Notes do not apply to the Exchange Notes. The Exchange Offer expired on July 14, 2022 and settlement occurred on July 15, 2022.

Other Borrowings and Term Debt

The Company has various other committed and uncommitted lines of credit with financial institutions, accounts receivable securitization arrangements, finance leases, short-term loans, term loans, credit facilities and book overdraft facilities, totaling approximately \$585.0 million as of August 31, 2022. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$177.2 million outstanding on these facilities at August 31, 2022, at a weighted average interest rate of 6.42%, and there was \$106.3 million outstanding at November 30, 2021, at a weighted average interest rate of 4.59%. Borrowings under certain of these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At August 31, 2022, the Company was also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$86.6 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at August 31, 2022 exchange rates.

Covenant Compliance

The Company's credit facilities have a number of covenants and restrictions that require the Company to maintain specified financial ratios. The covenants also limit the Company's ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of the Company's business and merge or consolidate. As of August 31, 2022, the Company was in compliance with the financial covenant requirements for the above arrangements.

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NOTE 10—EARNINGS PER COMMON SHARE:

The following table sets forth the computation of basic and diluted earnings per common share for the periods indicated:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Basic earnings per common share:				
Net income attributable to common stockholders ⁽¹⁾	\$ 147,885	\$ 93,512	\$ 427,418	\$ 272,322
Weighted-average number of common shares - basic	95,115	51,275	95,355	51,204
Basic earnings per common share	<u>\$ 1.55</u>	<u>\$ 1.82</u>	<u>\$ 4.48</u>	<u>\$ 5.32</u>
Diluted earnings per common share:				
Net income attributable to common stockholders ⁽¹⁾	\$ 147,887	\$ 93,522	\$ 427,425	\$ 272,348
Weighted-average number of common shares - basic	95,115	51,275	95,355	51,204
Effect of dilutive securities:				
Stock options and RSUs	292	491	293	475
Weighted-average number of common shares - diluted	<u>95,407</u>	<u>51,766</u>	<u>95,648</u>	<u>51,679</u>
Diluted earnings per common share	<u>\$ 1.55</u>	<u>\$ 1.81</u>	<u>\$ 4.47</u>	<u>\$ 5.27</u>
Anti-dilutive shares excluded from diluted earnings per share calculation	<u>235</u>	<u>—</u>	<u>241</u>	<u>7</u>

(1) RSAs granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

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NOTE 11—SEGMENT INFORMATION:

Segment results for all prior periods have been restated for comparability to the Company's current reportable segments (see Note 1 – Organization and Basis of Presentation for further discussion). Summarized financial information related to the Company's reportable business segments for the periods presented is shown below:

	Americas	Europe	APJ	Consolidated
Three Months Ended August 31, 2022				
Revenue	\$ 9,900,779	\$ 4,681,797	\$ 773,509	\$ 15,356,085
Operating income	180,471	44,260	16,803	241,534
Three Months Ended August 31, 2021				
Revenue	\$ 4,609,909	\$ 252,478	\$ 344,677	\$ 5,207,064
Operating income	132,053	10,171	5,980	148,204
Nine Months Ended August 31, 2022				
Revenue	\$ 28,751,985	\$ 14,914,196	\$ 2,429,672	\$ 46,095,853
Operating income	511,813	150,117	54,781	716,711
Nine Months Ended August 31, 2021				
Revenue	\$ 14,006,109	\$ 688,474	\$ 1,308,321	\$ 16,002,904
Operating income	373,101	33,973	30,779	437,853
	Americas	Europe	APJ	Consolidated
Total Assets				
As of:				
August 31, 2022	\$ 17,483,227	\$ 9,938,152	\$ 1,670,689	\$ 29,092,068
November 30, 2021	15,708,483	10,657,886	1,300,011	27,666,380

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NOTE 12—RELATED PARTY TRANSACTIONS:

The Company has a business relationship with MiTAC Holdings Corporation (“MiTAC Holdings”), a publicly-traded company in Taiwan, which began in 1992 when MiTAC Holdings became one of the Company's primary investors through its affiliates. As of August 31, 2022 and November 30, 2021, MiTAC Holdings and its affiliates beneficially owned approximately 9.6% and 9.5% of the Company's outstanding common stock, respectively. Mr. Matthew Miao, Chairman Emeritus of the Company's Board of Directors and a director, is the Chairman of MiTAC Holdings and a director or officer of MiTAC Holdings' affiliates.

Beneficial Ownership of the Company's Common Stock by MiTAC Holdings

As noted above, MiTAC Holdings and its affiliates in the aggregate beneficially owned approximately 9.6% of the Company's outstanding common stock as of August 31, 2022. These shares are owned by the following entities:

	As of August 31, 2022
MiTAC Holdings ⁽¹⁾	5,300
Synnex Technology International Corp. ⁽²⁾	3,860
Total	9,160

- (1) Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 194 shares held directly by Mr. Miao, 217 shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 shares held by his spouse.
- (2) Synnex Technology International Corp. (“Synnex Technology International”) is a separate entity from the Company and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

The following table presents the Company's transactions with MiTAC Holdings and its affiliates for the periods indicated:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Purchases of inventories and services	\$ 85,113	\$ 46,393	\$ 186,163	\$ 136,152
Sale of products to MiTAC Holdings and affiliates	115	69	1,251	529
Payments made for rent and overhead costs				
for use of facilities of MiTAC Holdings and affiliates, net	20	38	101	118

The following table presents the Company's receivable from and payable to MiTAC Holdings and its affiliates for the periods presented:

	August 31, 2022	November 30, 2021
Receivable from related parties (included in Accounts receivable, net)	\$ 4,426	\$ 21,841
Payable to related parties (included in Accounts payable)	34,510	32,802

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NOTE 13—EQUITY:
Share Repurchase Program

In June 2020, the Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which the Company may repurchase its outstanding common stock from time to time in the open market or through privately negotiated transactions. As of August 31, 2022, the Company had \$317.0 million available for future repurchases of its common stock under the authorized share repurchase program.

The Company's common share repurchase activity for the nine months ended August 31, 2022 is summarized as follows:

	Shares	Weighted-average price per share
Treasury stock balance at November 30, 2021	2,633	\$ 76.40
Shares of treasury stock repurchased under share repurchase program	820	101.23
Shares of treasury stock repurchased for tax withholdings on equity awards	58	102.66
Treasury stock balance at August 31, 2022	3,511	\$ 82.64

Dividends

On September 27, 2022, the Company announced that its Board of Directors declared a quarterly cash dividend of \$0.30 per common share payable on October 28, 2022 to stockholders of record as of the close of business on October 14, 2022. Future dividends are subject to continued capital availability and declaration by the Board of Directors that the dividend is in the best interest of the Company's stockholders.

NOTE 14—COMMITMENTS AND CONTINGENCIES:

As is customary in the technology industry, to encourage certain customers to purchase products from us, the Company also has other financing agreements with financial institutions to provide inventory financing facilities to the Company's customers and allow certain customers of the Company to finance their purchases directly with the financial institutions. The Company is contingently liable to repurchase inventory sold under these agreements in the event of any default by its customers under the agreement and such inventory being repossessed by the financial institutions. As the Company does not have access to information regarding the amount of inventory purchased from the Company still on hand with the customer at any point in time, the Company's repurchase obligations relating to inventory cannot be reasonably estimated. Losses, if any, would be the difference between the repossession cost and the resale value of the inventory. Repurchases under these arrangements have been insignificant to date and the Company is not aware of any pending customer defaults or repossession obligations. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to these inventory repurchase obligations is remote.

The French Autorité de la Concurrence ("Competition Authority") began in 2013 an investigation into the French market for certain products of Apple, Inc. ("Apple") for which the Company is a distributor. In March 2020, the Competition Authority imposed fines on Tech Data, on another distributor, and on Apple, finding that Tech Data entered into an anticompetitive agreement with Apple regarding volume allocations of Apple products. The fine imposed on Tech Data was €76 million (approximately \$76 million as of August 31, 2022). The Company has vigorously contested the arguments of the Competition Authority, and the Company has appealed its determination to the French courts, seeking to set aside or reduce the fine. Although the Company believes it has strong arguments on appeal, the Company has determined that the best estimate of probable loss related to this matter as of August 31, 2022 is €36 million (approximately \$36 million as of August 31, 2022). Under French law, the pendency of the Company's appeal does not suspend the obligation to pay the fine. Tech Data agreed with the French authorities to make eight equal installment payments in relation to the fine assessed for a total amount of €22.8 million on a quarterly basis from January 2021 through October 2022. As of August 31, 2022, the Company has an accrued liability for this matter of €16.0 million (\$16.0 million as of August 31, 2022) that represents the total estimate of probable loss less installment payments made to date. If the appeal

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process is not completed prior to the end of December 2022, the Company may be required to pay further amounts towards the full fine assessed by the Competition Authority before the Company's appeal is finally determined. However, any additional amounts that may need to be paid have not yet been determined. Additionally, the Company has provided a third-party surety bond to the Competition Authority to guarantee the payment of the amount of the fine and interest, if applicable. A civil lawsuit related to this matter, alleging anticompetitive actions in association with the established distribution networks for Apple, Tech Data and another distributor was filed by eBizcuss. The Company is currently evaluating this matter and cannot currently estimate the probability or amount of any potential loss.

From time to time, the Company receives notices from third parties, including customers and suppliers, seeking indemnification, payment of money or other actions in connection with claims made against them. Also, from time to time, the Company has been involved in various bankruptcy preference actions where the Company was a supplier to the companies now in bankruptcy. In addition, the Company is subject to various other claims, both asserted and unasserted, that arise in the ordinary course of business. The Company evaluates these claims and records the related liabilities. It is possible that the ultimate liabilities could differ from the amounts recorded.

Under the Separation and Distribution agreement with Concentrix that was entered into in connection with the Separation, SYNnex agreed to indemnify Concentrix, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to SYNnex as part of the Separation. Similarly, Concentrix agreed to indemnify SYNnex, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to Concentrix as part of the Separation. The Company expects Concentrix to fully perform under the terms of the Separation and Distribution agreement.

Under the Separation and Distribution agreement, SYNnex and Concentrix agreed to cooperate with each other in managing litigation related to both companies' businesses. The Separation and Distribution agreement also included provisions that assign to each company responsibility for managing pending and future litigation related to the general corporate matters of SYNnex arising prior to the Separation.

The Company does not believe that the above commitments and contingencies will have a material adverse effect on the Company's results of operations, financial position or cash flows.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the Consolidated Financial Statements and related Notes included elsewhere in this Report. Amounts in certain tables may not add or compute due to rounding.

When used in this Quarterly Report on Form 10-Q, or this "Report", the words "anticipates," "believes," "estimates," "expects," "intends," "allows," "can," "may," "could," "designed," "will," and similar expressions are intended to identify forward-looking statements. These are statements that relate to future periods and include statements about market trends, our business model and our services, our business and market strategy, future growth, including expansion of our product and service lines, our infrastructure, our investment in our information technology, or IT, systems, our employee hiring and retention, the ownership interest of MiTAC Holdings Corporation or MiTAC Holdings, in us and its impact, the ownership interest of Apollo Global Management, Inc., or Apollo, in us and its impact, the impact of the Merger, our integration plans, our plans with respect to the GBO 2 Program, our revenue, sources of revenue, our gross margins, our operating costs and results, timing of payment, the value of our inventory, our competition, including with Synnex Technology International Corp., our future needs for additional financing, the likely sources for such funding and the impact of such funding, concentration of customers and suppliers, customer and supplier contract terms, customer forecasts and its impact on us, relationships with our suppliers, adequacy of our facilities, ability to obtain comparable leases, ability to manage and communicate with international resources, ability to meet demand, managing inventory and our shipping costs, our legal proceedings, including the investigation by the Competition Authority, our operations and trends related thereto, our international operations, foreign currency exchange rates and hedging activities, expansion of our operations and related effects, our strategic acquisitions including anticipated cost savings and other benefits, divestitures of businesses and assets, revenue, cost of revenue and gross margin, our goodwill, seasonality of sales, changes in share price, adequacy of our cash resources to meet our capital needs, our debt and financing arrangements, including the impact of any change to our credit rating, interest rate risk and impact thereof, cash held by our international subsidiaries and repatriation, changes in fair value of derivative instruments, our tax liabilities, adequacy of our disclosure controls and procedures, dependency on personnel, pricing pressures, cybersecurity and compliance with related rules and regulations, impact of rules and regulations affecting public companies, the replacement of LIBOR, impact of our pricing policies, impact of economic and industry trends, changes to the markets in which we compete, impact of our accounting policies and recently issued accounting pronouncements, our estimates and assumptions, impact of inventory repurchase obligations and commitments and contingencies, our effective tax rates, impact of any impairment of our goodwill and intangible assets, our share repurchase and dividend program, our securitization programs, term loans and revolving credit lines, our investments in working capital, personnel, our succession planning and various environmental, social and governance initiatives and attention, our purchase accounting adjustments, plans with respect to our controls and procedures, and the impact of global economic, political and social conditions. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, those risks discussed herein and risks related to the risk that the legacy SYNnex and legacy Tech Data businesses will not be integrated successfully or realize the anticipated benefits of the combined company, the COVID-19 global pandemic, the ability to retain key personnel, the seasonality of the buying patterns of our customers, concentration of sales to large customers, the loss or consolidation of one or more of our significant original equipment manufacturer, or OEM, suppliers or customers, market acceptance and product life of the products we assemble and distribute, competitive conditions in our industry and their impact on our margins, pricing and other terms with our OEM suppliers, our ability to gain market share, variations in supplier-sponsored programs, changes in our costs and operating expenses, increased inflation, dependence upon and trends in capital spending budgets in the IT industry, fluctuations in general economic conditions including impacts from Russia's invasion of Ukraine, change in the market for our customers' products, employee turnover, changes in tax laws, risks associated with our international operations, uncertainties and variability in demand by our reseller and integration customers, supply shortages or delays, any termination or reduction in our floor plan financing arrangements, changes in value of foreign currencies and interest rates and other risk factors contained in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended November 30, 2021 and below under Part II, Item 1A, "Risk Factors." These forward-looking statements speak only as of the date hereof. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless otherwise required by law.

In the Management's Discussion and Analysis of Financial Condition and Results of Operations, all references to "TD SYNnex," "we," "us," "our" or the "Company" mean TD SYNnex Corporation and its subsidiaries for periods after the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments while all references to "SYNnex," "we," "us," "our" or the "Company" mean SYNnex Corporation and its subsidiaries for periods prior to the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments.

TD SYNnex, the TD SYNnex Logo and all other TD SYNnex company, product and services names and slogans are trademarks or registered trademarks of TD SYNnex Corporation. Other names and marks are the property of their respective owners.

Overview

We are a Fortune 200 corporation and a leading global distributor and solutions aggregator for the information technology ("IT") ecosystem.

On December 1, 2020, we completed the previously announced separation of our customer experience services business (the "Separation"), which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation ("Concentrix"). Our stockholders received one share of Concentrix common stock for every share of our common stock held at the close of business on the record date. Concentrix is now an independent public company trading under the symbol "CNXC" on the Nasdaq Stock Market. After the Separation, we do not beneficially own any shares of Concentrix' common stock and beginning December 1, 2020, we no longer consolidate Concentrix within our financial results or reflect the financial results of Concentrix within our continuing results of operations. We distributed a total of approximately 51.6 million shares of Concentrix common stock to our stockholders. In connection with the Separation, we have entered into a separation and distribution agreement, as well as various other agreements with Concentrix that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide certain limited services to us following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the "Merger Agreement") which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation ("Tech Data") through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the "Merger"). On September 1, 2021, pursuant to the terms of the Merger Agreement, SYNnex acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex, valued at approximately \$5.61 billion. See [Note 3](#) – Acquisitions to the Consolidated Financial Statements in Part I, Item 1 of this Report for further information.

We previously had two reportable segments as of November 30, 2020: Technology Solutions and Concentrix. After giving effect to the Separation on December 1, 2020, we operated in a single reportable segment. After completion of the Merger, we reviewed our reportable segments as there was a change in our chief executive officer, who is also our chief operating decision maker. Our chief operating decision maker has a leadership structure aligned with the geographic regions of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic regions. As a result, as of September 1, 2021 we began operating in three reportable segments based on our geographic regions: the Americas, Europe and APJ. Segment results for all prior periods have been restated for comparability to the Company's current reportable segments. For financial information by segment, refer to [Note 11](#) – Segment Information, to the Consolidated Financial Statements in Part I, Item 1 of this Report. We have presented limited information by reportable segment within the Management's Discussion and Analysis of Financial Condition and Results of Operations due to the lack of comparability between periods resulting from the Merger on September 1, 2021.

We distribute technology products from original equipment manufacturers ("OEM"), as well as suppliers of next-generation technologies and delivery models, to resellers, system integrators, and retailers. We purchase PC systems, mobile phones and accessories, printers, peripherals, IT systems, system components, software, networking, communications and security equipment, consumer electronics and complementary products from our suppliers and sell them to our reseller and retail customers. We perform a similar function for our distribution of licensed software products. Our reseller customers include value-added resellers, corporate resellers, government resellers, system integrators, direct marketers, retailers and managed service providers. We combine our core strengths in distribution with demand generation, supply chain management and design and integration solutions to help our customers achieve greater efficiencies in time to market, cost minimization, real-time linkages in the supply chain and aftermarket product support. We also provide comprehensive IT solutions in key vertical markets such as government and healthcare and we provide specialized service offerings that increase efficiencies in the areas of global computing components, logistics services and supply chain management. Additionally, we provide our customers with systems design and integration solutions for data center servers and networking solutions built specific to our customers' workloads and data center environments.

Our business is characterized by low gross profit as a percentage of revenue, or gross margin, and low income from operations as a percentage of revenue, or operating margin. The market for IT products is generally characterized by declining unit prices and short product life cycles. We set our sales price based on the market supply and demand characteristics for each particular product or bundle of products we distribute and services we provide.

We are highly dependent on the end-market demand for IT products, and on our partners' strategic initiatives and business models. This end-market demand is influenced by many factors including the introduction of new IT products and software by OEMs, replacement cycles for existing IT products, trends toward cloud computing, overall economic growth and general business activity. A difficult and challenging economic environment, including due to the impacts of increased inflation and Russia's invasion of Ukraine, may also lead to consolidation or decline in the IT industries and increased price-based competition.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation, including our own, and created significant volatility and disruption of financial markets. The disruptions due to COVID-19 have impacted our business including logistics operations. Despite improvements in the global economy since the onset of the pandemic, resurgences of COVID-19 variants and the related impacts bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and customer demand and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. As a result, many of the estimates and assumptions involved in the preparation of the financial statements included in this report on Form 10-Q, required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve with respect to the pandemic, our estimates may change in future periods.

Critical Accounting Policies and Estimates

During the nine months ended August 31, 2022, there were no material changes to our critical accounting policies and estimates previously disclosed in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

During the nine months ended August 31, 2022, we adopted certain other new accounting pronouncements. The impact of adoption of these pronouncements was not material to our consolidated financial statements. See [Note 2](#) - Summary of Significant Accounting Policies to our Consolidated Financial Statements in Part I, Item 1 of this Report for further information.

Acquisitions

We continually seek to augment organic growth in our business with strategic acquisitions of businesses and assets that complement and expand our existing capabilities. We also divest businesses that we deem no longer strategic to our ongoing operations. We seek to acquire new OEM relationships, enhance our supply chain and integration capabilities, the services we provide to our customers and OEM suppliers, and expand our geographic footprint. We are also strategically focused on further increasing our scale to support our customers.

Results of Operations

The following table sets forth, for the indicated periods, data as percentages of total revenue:

Statements of Operations Data:	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Revenue	100.00 %	100.00 %	100.00 %	100.00 %
Cost of revenue	(94.03)%	(94.00)%	(93.84)%	(94.09)%
Gross profit	5.97 %	6.00 %	6.16 %	5.91 %
Selling, general and administrative expenses	(4.10)%	(3.08)%	(4.24)%	(3.12)%
Acquisition, integration and restructuring costs	(0.30)%	(0.08)%	(0.37)%	(0.06)%
Operating income	1.57 %	2.85 %	1.55 %	2.74 %
Interest expense and finance charges, net	(0.34)%	(0.51)%	(0.31)%	(0.45)%
Other (expense) income, net	(0.01)%	0.09 %	(0.03)%	0.02 %
Income before income taxes	1.22 %	2.43 %	1.21 %	2.30 %
Provision for income taxes	(0.25)%	(0.61)%	(0.29)%	(0.58)%
Net income	0.97 %	1.82 %	0.92 %	1.72 %

Due to the ongoing impact of the COVID-19 pandemic, current results and financial condition discussed herein may not be indicative of future operating results and trends.

Certain Non-GAAP Financial Information

In addition to disclosing financial results that are determined in accordance with GAAP, we also disclose certain non-GAAP financial information, including:

- Non-GAAP operating income, which is operating income, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense and purchase accounting adjustments.
- Non-GAAP operating margin, which is non-GAAP operating income, as defined above, divided by revenue.
- Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) which is net income before interest, taxes, depreciation and amortization, adjusted to exclude other (expense) income, net, acquisition, integration and restructuring costs, share-based compensation expense, and purchase accounting adjustments.
- Non-GAAP net income, which is net income, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.
- Non-GAAP diluted earnings per common share (“EPS”), which is diluted EPS excluding the per share impact of acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.

Acquisition, integration and restructuring costs typically consist of acquisition, integration, restructuring and divestiture related costs and are expensed as incurred. These expenses primarily represent professional services costs for legal, banking, consulting and advisory services, severance and other personnel related costs, share-based compensation expense and debt extinguishment fees. From time to time, this category may also include transaction-related gains/losses on divestitures/spin-off of businesses, costs related to long-lived assets including impairment charges and accelerated depreciation and amortization expense due to changes in asset useful lives, as well as various other costs associated with the acquisition or divestiture.

Our acquisition activities have resulted in the recognition of finite-lived intangible assets which consist primarily of customer relationships and lists and vendor lists. Finite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in our statements of operations. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the sale of our products. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of our acquisition activity. Accordingly, we believe excluding the amortization of intangible assets, along with the other non-GAAP adjustments which neither relate to the ordinary course of our business nor reflect our underlying business performance, enhances our and our investors' ability to compare our past financial performance with our current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within our GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.

Share-based compensation expense is a non-cash expense arising from the grant of equity awards to employees based on the estimated fair value of those awards. Although share-based compensation is an important aspect of the compensation of our employees, the fair value of the share-based awards may bear little resemblance to the actual value realized upon the vesting or future exercise of the related share-based awards and the expense can vary significantly between periods as a result of the timing of grants of new stock-based awards, including grants in connection with acquisitions. Given the variety and timing of awards and the subjective assumptions that are necessary when calculating share-based compensation expense, we believe this additional information allows investors to make additional comparisons between our operating results from period to period.

Purchase accounting adjustments are primarily related to the impact of recognizing the acquired vendor and customer liabilities from the Merger at fair value. The Company expects the duration of these adjustments to benefit our non-GAAP operating income through fiscal 2022 and through a portion of fiscal 2023 based on historical settlement patterns with our vendors and in accordance with the timing defined in our policy for releasing vendor and customer liabilities we deem remote to be paid.

We believe that providing this additional information is useful to the reader to better assess and understand our base operating performance, especially when comparing results with previous periods and for planning and forecasting in future periods, primarily because management typically monitors the business adjusted for these items in addition to GAAP results. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures and should be used as a complement to, and in conjunction with data presented in accordance with GAAP.

Non-GAAP Financial Information:

The following tables provide the reconciliations of our most comparable GAAP measures to our non-GAAP measures presented:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Operating Income and Operating Margin - Consolidated	(in thousands)			
Revenue	\$ 15,356,085	\$ 5,207,064	\$ 46,095,853	\$ 16,002,904
Operating income	\$ 241,534	\$ 148,204	\$ 716,711	\$ 437,853
Acquisition, integration and restructuring costs	46,418	4,133	172,266	10,068
Amortization of intangibles	73,270	9,386	224,082	28,128
Share-based compensation	6,643	6,509	20,431	18,146
Purchase accounting adjustments	30,418	—	94,971	—
Non-GAAP operating income	\$ 398,283	\$ 168,232	\$ 1,228,461	\$ 494,195
GAAP operating margin	1.57 %	2.85 %	1.55 %	2.74 %
Non-GAAP operating margin	2.59 %	3.23 %	2.67 %	3.09 %

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Operating Income and Operating Margin - Americas	(in thousands)			
Revenue	\$ 9,900,779	\$ 4,609,909	\$ 28,751,985	\$ 14,006,109
Operating income	\$ 180,471	\$ 132,053	\$ 511,813	\$ 373,101
Acquisition, integration and restructuring costs	33,545	4,133	102,964	10,068
Amortization of intangibles	43,523	9,386	130,619	28,128
Share-based compensation	5,036	6,509	16,126	18,146
Purchase accounting adjustments	19,564	—	56,132	—
Non-GAAP operating income	\$ 282,139	\$ 152,081	\$ 817,654	\$ 429,443
GAAP operating margin	1.82 %	2.86 %	1.78 %	2.66 %
Non-GAAP operating margin	2.85 %	3.30 %	2.84 %	3.07 %

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Operating Income and Operating Margin - Europe	(in thousands)			
Revenue	\$ 4,681,797	\$ 252,478	\$ 14,914,196	\$ 688,474
Operating income	\$ 44,260	\$ 10,171	\$ 150,117	\$ 33,973
Acquisition, integration and restructuring costs	11,313	—	62,112	—
Amortization of intangibles	29,103	—	91,543	—
Share-based compensation	1,286	—	3,366	—
Purchase accounting adjustments	10,854	—	38,839	—
Non-GAAP operating income	\$ 96,816	\$ 10,171	\$ 345,977	\$ 33,973
GAAP operating margin	0.95 %	4.03 %	1.01 %	4.93 %
Non-GAAP operating margin	2.07 %	4.03 %	2.32 %	4.93 %

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	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Operating Income and Operating Margin - APJ				
	(in thousands)			
Revenue	\$ 773,509	\$ 344,677	\$ 2,429,672	\$ 1,308,321
Operating income	\$ 16,803	\$ 5,980	\$ 54,781	\$ 30,779
Acquisition, integration and restructuring costs	1,560	—	7,190	—
Amortization of intangibles	644	—	1,920	—
Share-based compensation	321	—	939	—
Non-GAAP operating income	\$ 19,328	\$ 5,980	\$ 64,830	\$ 30,779
GAAP operating margin	2.17 %	1.73 %	2.25 %	2.35 %
Non-GAAP operating margin	2.50 %	1.73 %	2.67 %	2.35 %

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Adjusted EBITDA - Consolidated				
	(in thousands)			
Net income	\$ 148,835	\$ 94,705	\$ 430,076	\$ 275,628
Interest expense and finance charges, net	52,119	26,365	142,430	71,766
Provision for income taxes	38,728	31,931	131,830	93,165
Depreciation ⁽¹⁾	28,247	5,633	132,561	16,800
Amortization of intangibles	73,270	9,386	224,082	28,128
EBITDA	\$ 341,199	\$ 168,020	\$ 1,060,979	\$ 485,487
Other expense (income), net	1,852	(4,796)	12,375	(2,707)
Acquisition, integration and restructuring costs	42,025	7,258	115,002	13,193
Share-based compensation	6,643	6,509	20,431	18,146
Purchase accounting adjustments	30,418	—	94,971	—
Adjusted EBITDA	\$ 422,137	\$ 176,991	\$ 1,303,758	\$ 514,119

⁽¹⁾ Includes depreciation recorded in acquisition, integration and restructuring costs.

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Net Income - Consolidated				
	(in thousands)			
Net income	\$ 148,835	\$ 94,705	\$ 430,076	\$ 275,628
Acquisition, integration and restructuring costs	48,730	7,258	178,691	13,193
Amortization of intangibles	73,270	9,386	224,082	28,128
Share-based compensation	6,643	6,509	20,431	18,146
Purchase accounting adjustments	30,418	—	94,971	—
Income taxes related to the above	(39,419)	(5,933)	(121,827)	(15,191)
Income tax capital loss carryback benefit	(5,053)	—	(8,299)	—
Non-GAAP net income	\$ 263,424	\$ 111,925	\$ 818,125	\$ 319,904

Diluted Earnings per Common Share	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
Diluted EPS	\$ 1.55	\$ 1.81	\$ 4.47	\$ 5.27
Acquisition, integration and restructuring costs	0.50	0.14	1.86	0.25
Amortization of intangibles	0.76	0.18	2.33	0.54
Share-based compensation	0.07	0.12	0.21	0.35
Purchase accounting adjustments	0.32	—	0.99	—
Income taxes related to the above	(0.41)	(0.11)	(1.27)	(0.29)
Income tax capital loss carryback benefit	(0.05)	—	(0.09)	—
Non-GAAP diluted EPS	\$ 2.74	\$ 2.14	\$ 8.50	\$ 6.12

Three and Nine Months Ended August 31, 2022 and August 31, 2021

Revenue

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Revenue	\$ 15,356,085	\$ 5,207,064	194.9 %	\$ 46,095,853	\$ 16,002,904	188.0 %

We distribute a comprehensive range of products for the technology industry and design and integrate data center equipment. The prices of our products are highly dependent on the volumes purchased within a product category. The products we sell from one period to the next are often not comparable due to changes in product models, features and customer demand requirements.

Revenue increased during the three and nine months ended August 31, 2022, as compared to the prior year period, primarily due to an increase in sales resulting from the impact of the Merger of approximately \$9 billion and \$28 billion, respectively, as well as broad-based demand for technology equipment.

Gross Profit

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Gross profit	\$ 916,030	\$ 312,622	193.0 %	\$ 2,840,480	\$ 946,365	200.1 %
Gross margin	5.97 %	6.00 %		6.16 %	5.91 %	

Our gross margin is affected by a variety of factors, including competition, selling prices, mix of products, product costs along with rebate and discount programs from our suppliers, reserves or settlement adjustments, freight costs, inventory losses and fluctuations in revenue.

Our gross profit increased, during the three and nine months ended August 31, 2022, as compared to the prior year period, primarily due to an increase in sales resulting from the impact of the Merger. The slight decrease in gross margin during the three months ended August 31, 2022, as compared to the three months ended August 31, 2021, along with the increase during the nine months ended August 31, 2022, as compared to the nine months ended August 31, 2021, is primarily due to product and customer mix.

Selling, General and Administrative Expenses

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Selling, general and administrative expenses	\$ 628,078	\$ 160,285	291.9 %	\$ 1,951,503	\$ 498,443	291.5 %
Percentage of revenue	4.10 %	3.08 %		4.24 %	3.12 %	

Our selling, general and administrative expenses consist primarily of personnel costs such as salaries, commissions, bonuses, share-based compensation and temporary personnel costs. Selling, general and administrative expenses also include cost of warehouses, delivery centers and other non-integration facilities, utility expenses, legal and professional fees, depreciation on certain of our capital equipment, bad debt expense, amortization of our intangible assets, and marketing expenses.

During the three and nine months ended August 31, 2022, selling, general and administrative expenses increased, compared to the prior year period, primarily due to an increase in personnel costs resulting from the Merger and an increase in amortization of intangible assets acquired in connection with the Merger. Selling, general and administrative expenses increased as a percentage of revenue, compared to the prior year period, primarily due to the impact of the Merger including an increase in personnel costs and amortization of intangible assets.

Acquisition, Integration and Restructuring Costs

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger and costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”).

The Merger

We incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, long-lived assets charges and stock-based compensation expense. Professional services costs are primarily comprised of IT and other consulting services, as well as legal expenses. Personnel and other costs are primarily comprised of costs related to retention and other bonuses, as well as severance and duplicative labor costs. Long-lived assets charges are primarily comprised of accelerated depreciation and amortization expense of \$57.3 million recorded during the nine months ended August 31, 2022 due to changes in asset useful lives in conjunction with the consolidation of certain IT systems, as well as impairment charges. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted shares of TD SYNEX (refer to [Note 5](#) – Share-Based Compensation to the Consolidated Financial Statements in Part I, Item 1 of this Report for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

During the three and nine months ended August 31, 2022 and 2021, acquisition and integration expenses related to the Merger were composed of the following:

	Three Months Ended		Nine Months Ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
	(in thousands)		(in thousands)	
Professional services costs	\$ 6,514	\$ 3,114	\$ 20,455	\$ 7,109
Personnel and other costs	11,699	1,019	27,047	2,959
Long-lived assets charges	8,693	—	61,564	—
Stock-based compensation	12,911	—	39,376	—
Total	\$ 39,817	\$ 4,133	\$ 148,442	\$ 10,068

During the three and nine months ended August 31, 2022, acquisition and integration expenses related to the Merger increased, compared to the prior year period, due to the timing of the Merger as it was completed on September 1, 2021.

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX continued this program in conjunction with the Company's integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other costs. Restructuring costs are comprised of severance costs and other associated exit costs, including certain consulting costs. Other costs are primarily comprised of personnel costs, facilities costs and certain professional services fees not related to restructuring activities.

There were no acquisition, integration and restructuring costs incurred under the GBO 2 Program during the three and nine months ended August 31, 2021 due to the timing of the completion of the Merger. Acquisition, integration and restructuring costs under the GBO 2 Program for the three and nine months ended August 31, 2022 included the following:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
	(in thousands)	
Restructuring costs	\$ 4,654	\$ 15,438
Other costs	1,947	8,386
Total	\$ 6,601	\$ 23,824

Restructuring costs under the GBO 2 Program for the three and nine months ended August 31, 2022 were composed of the following:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
	(in thousands)	
Severance	\$ 2,099	\$ 3,200
Other exit costs	2,555	12,238
Total	\$ 4,654	\$ 15,438

Restructuring costs related to the GBO 2 Program by segment are as follows:

	Three Months Ended August 31, 2022	Nine Months Ended August 31, 2022
	(in thousands)	
Americas	\$ 1,354	\$ 4,776
Europe	3,248	10,193
APJ	52	469
Total	\$ 4,654	\$ 15,438

Operating Income

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Operating income	\$ 241,534	\$ 148,204	63.0 %	\$ 716,711	\$ 437,853	63.7 %
Operating margin	1.57 %	2.85 %		1.55 %	2.74 %	

Operating income increased during the three and nine months ended August 31, 2022 compared to the prior year period, primarily due to increased sales as a result of the Merger, partially offset by an increase in personnel costs resulting

from the Merger, an increase in amortization of intangible assets acquired in connection with the Merger and an increase in acquisition, integration and restructuring costs. Operating margin decreased during the three and nine months ended August 31, 2022, compared to the prior year period, primarily due to an increase in personnel costs resulting from the Merger, an increase in amortization of intangible assets acquired in connection with the Merger and an increase in acquisition, integration and restructuring costs.

Interest Expense and Finance Charges, Net

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Interest expense and finance charges, net	\$ 52,119	\$ 26,365	97.7 %	\$ 142,430	\$ 71,766	98.5 %
Percentage of revenue	0.34 %	0.51 %		0.31 %	0.45 %	

Amounts recorded in interest expense and finance charges, net, consist primarily of interest expense paid on our Senior Notes (as defined below), our lines of credit, our accounts receivable securitization facilities and our term loans, and fees associated with the sale of accounts receivable, partially offset by income earned on our cash investments.

The increase in our interest expense and finance charges, net during the three and nine months ended August 31, 2022, compared to the prior year, was primarily due to an increase in interest expense from higher average outstanding borrowings.

Other (Expense) Income, Net

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Other (expense) income, net	\$ (1,852)	\$ 4,796	(138.6)%	\$ (12,375)	\$ 2,707	(557.1)%
Percentage of revenue	(0.01)%	0.09 %		(0.03)%	0.02 %	

Amounts recorded as other (expense) income, net include foreign currency transaction gains and losses on certain financing transactions and the related derivative instruments used to hedge such financing transactions, the cost of hedging, investment gains and losses, and other non-operating gains and losses, such as settlements received from class actions lawsuits.

The increase in other (expense) income, net during the three and nine months ended August 31, 2022, as compared to the prior year period, was primarily due to a gain on sale of an investment in the prior year and increased costs for foreign exchange hedges coupled with an expanded program.

Provision for Income Taxes

	Three Months Ended		Percent Change	Nine Months Ended		Percent Change
	August 31, 2022	August 31, 2021		August 31, 2022	August 31, 2021	
	(in thousands)			(in thousands)		
Provision for income taxes	\$ 38,728	\$ 31,931	21.3 %	\$ 131,830	\$ 93,165	41.5 %
Percentage of income before income taxes	20.65 %	25.21 %		23.46 %	25.26 %	

Income taxes consist of our current and deferred tax expense resulting from our income earned in domestic and foreign jurisdictions. Income taxes for the interim periods presented have been included in the accompanying Consolidated Financial Statements on the basis of an estimated annual effective tax rate.

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During the three and nine months ended August 31, 2022, our income tax expense increased compared to the prior year period, primarily due to higher income during the three and nine months ended August 31, 2022, including the impacts of the Merger. In connection with the Merger, in the fourth quarter of fiscal 2021 we restructured our foreign financing structure, as well as select legal entities, in anticipation of legally integrating legacy Tech Data and SYNnex foreign operations. In addition to the treasury efficiencies, these restructurings resulted in a one-time domestic capital loss which would offset certain domestic capital gains when carried back under United States tax law to tax year 2020, resulting in a tax benefit of approximately \$45 million in the fourth quarter of fiscal 2021. During the three and nine months ended August 31, 2022, we recorded additional tax benefits of \$5.1 million and \$8.3 million, respectively, related to the capital loss carryback. The effective tax rate was lower during the three and nine months ended August 31, 2022 as compared to the three and nine months ended August 31, 2021, primarily due to the capital loss carryback benefit, as well as the relative mix of earnings and losses within the taxing jurisdictions in which we operate.

Liquidity and Capital Resources

Cash Conversion Cycle

		Three Months Ended		
		August 31, 2022	November 30, 2021	August 31, 2021
		(Amounts in thousands)		
Days sales outstanding ("DSO")				
Revenue	(a)	\$ 15,356,085	\$ 15,611,266	\$ 5,207,064
Accounts receivable, net	(b)	8,114,004	8,310,032	2,229,640
Days sales outstanding	(c) = ((b)/(a))*the number of days during the period	49	48	39
Days inventory outstanding ("DIO")				
Cost of revenue	(d)	\$ 14,440,055	\$ 14,668,096	\$ 4,894,442
Inventories	(e)	9,755,228	6,642,915	2,866,212
Days inventory outstanding	(f) = ((e)/(d))*the number of days during the period	62	41	54
Days payable outstanding ("DPO")				
Cost of revenue	(g)	\$ 14,440,055	\$ 14,668,096	\$ 4,894,442
Accounts payable	(h)	13,718,980	12,034,946	3,222,284
Days payable outstanding	(i) = ((h)/(g))*the number of days during the period	88	75	61
Cash conversion cycle ("CCC")	(j) = (c)+(f)-(i)	23	14	32

Cash Flows

Our business is working capital intensive. Our working capital needs are primarily to finance accounts receivable and inventory. We rely heavily on term loans, accounts receivable arrangements, our securitization programs, our revolver programs and net trade credit from vendors for our working capital needs. We have financed our growth and cash needs to date primarily through cash generated from operations and financing activities. As a general rule, when sales volumes are increasing, our net investment in working capital dollars typically increases, which generally results in decreased cash flow generated from operating activities. Conversely, when sales volumes decrease, our net investment in working capital dollars typically decreases, which generally results in increases in cash flows generated from operating activities. We calculate CCC as days of the last fiscal quarter's revenue outstanding in accounts receivable plus days of supply on hand in inventory, less days of the last fiscal quarter's cost of revenue outstanding in accounts payable. Our CCC was 23 days and 14 days as of August 31, 2022 and November 30, 2021, respectively. The increase was primarily due to our DIO, which

was impacted by an increase in inventory to support growth in our business, partially offset by a corresponding increase in our DPO. Our CCC was 23 days and 32 days as of August 31, 2022 and August 31, 2021, respectively. The decrease was primarily due to the impact of the Merger, including an increase in our DPO due to the payment timing of accounts payable in our business, partially offset by our DIO which was impacted by increases to support growth in our business.

To increase our market share and better serve our customers, we may further expand our operations through investments or acquisitions. We expect that any such expansions would require an initial investment in working capital, personnel, facilities and operations. These investments or acquisitions would likely be funded primarily by our existing cash and cash equivalents, additional borrowings, or the issuance of securities.

Operating Activities

Net cash used in operating activities was \$351.8 million during the nine months ended August 31, 2022, primarily due to an increase in inventories to support growth in our business, partially offset by an increase in accounts payable due to timing of payments and net income.

Net cash provided by operating activities was \$248.8 million during the nine months ended August 31, 2021, primarily due to net income and a decrease in accounts receivable, which was partially offset by a decrease in accounts payable. The decrease in accounts receivable was primarily due to efficient collections during the three months ended August 31, 2021 as well as lower revenue compared to a seasonally high fourth quarter of fiscal year 2020. The decrease in accounts payable was primarily due to timing of payments.

Investing Activities

Net cash used in investing activities during the nine months ended August 31, 2022 and 2021 was \$77.0 million and \$2.9 million, respectively, primarily due to capital expenditures related to infrastructure investments to support growth in our business.

Financing Activities

Net cash used in financing activities during the nine months ended August 31, 2022 was \$159.2 million, driven primarily by the payment of stockholder dividends of \$86.2 million and the payment of \$83.0 million to repurchase common stock under our share repurchase program.

Net cash provided by financing activities during the nine months ended August 31, 2021 was \$2,232.7 million, representing primarily proceeds received on issuance of the Senior Notes of \$2.5 billion to support the Merger, partially offset by the net transfer of cash and cash equivalents of \$149.9 million to Concentrix in connection with the Separation, along with \$64.5 million representing a paydown of our revolving lines of credit, a return of cash to stockholders in the form of dividends of \$31.1 million and \$26.8 million of issuance costs related to the Senior Notes.

Capital Resources

Our cash and cash equivalents totaled \$350.8 million and \$994.0 million as of August 31, 2022 and November 30, 2021, respectively. Our cash and cash equivalents held by international subsidiaries are no longer subject to U.S. federal tax on repatriation into the United States. Repatriation of some foreign balances is restricted by local laws. Historically, we have fully utilized and reinvested all foreign cash to fund our foreign operations and expansion. If in the future our intentions change, and we repatriate the cash back to the United States, we will report in our Consolidated Financial Statements the impact of state and withholding taxes depending upon the planned timing and manner of such repatriation. Presently, we believe we have sufficient resources, cash flow and liquidity within the United States to fund current and expected future working capital, investment and other general corporate funding requirements.

We believe that our available cash and cash equivalents balances, cash flows from operations and our existing sources of liquidity, including available capacity under our borrowing facilities, will be sufficient to satisfy our current and planned working capital and investment needs for the next twelve months in all geographies. We also believe that our longer-term working capital, planned capital expenditures, anticipated stock repurchases, dividend payments and other general corporate funding requirements will be satisfied through cash flows from operations and, to the extent necessary, from our borrowing facilities and future financial market activities.

Historically, we have renewed our accounts receivable securitization program and our parent company credit facilities on, or prior to, their respective expiration dates. We have no reason to believe that these and other arrangements

will not be renewed or replaced as we continue to be in good credit standing with the participating financial institutions. We have had similar borrowing arrangements with various financial institutions throughout our years as a public company.

TD SYNnex United States Accounts Receivable Securitization Agreement

In the United States, we have an accounts receivable securitization program to provide additional capital for our operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, we and our subsidiaries that are party to the U.S. AR Arrangement can borrow up to a maximum of \$1.5 billion based upon eligible trade accounts receivable. The U.S. AR Arrangement has a maturity date of December 2024. The effective borrowing cost under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rates and a rate based upon SOFR. In addition, a program fee payable on the used portion of the lenders’ commitment, accrues at 0.75% per annum. A facility fee is payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time. There were no amounts outstanding under the U.S. AR Arrangement at August 31, 2022 or November 30, 2021.

Under the terms of the U.S. AR Arrangement, we and certain of our U.S. subsidiaries sell, on a revolving basis, our receivables (other than certain excluded receivables) to a wholly-owned, bankruptcy-remote subsidiary. Such receivables, which are recorded in the Consolidated Balance Sheet, totaled approximately \$2.9 billion as of August 31, 2022. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by our bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on our Consolidated Balance Sheets.

TD SYNnex Credit Agreement

The Company is party to a credit agreement, dated as of April 16, 2021 (the “TD SYNnex Credit Agreement”) with the lenders party thereto and Citibank, N.A., as agent, pursuant to which we received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3.5 billion, which revolving credit facility (the “TD SYNnex revolving credit facility”) may, at our request but subject to the lenders’ discretion, potentially be increased by up to an aggregate amount of \$500 million. There were no amounts outstanding under the TD SYNnex revolving credit facility at August 31, 2022 or November 30, 2021. The TD SYNnex Credit Agreement also includes a fully funded senior unsecured term loan (the “TD SYNnex term loan” and, together with the TD SYNnex revolving credit facility, the “TD SYNnex credit facilities”) that had an original aggregate principal amount of \$1.5 billion and has begun amortizing as described below. The borrower under the TD SYNnex credit facilities is the Company. There are no guarantors of the TD SYNnex credit facilities. The maturity of the TD SYNnex credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026, subject in the case of the revolving credit facility, to two one-year extensions upon our prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNnex term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNnex Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on our public debt rating (as defined in the TD SYNnex Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee that ranges from 0.125% to 0.300% on any unused commitment under the TD SYNnex revolving credit facility based on our public debt rating. The effective interest rate for the TD SYNnex term loan was 3.91% and 1.49% as of August 31, 2022 and November 30, 2021, respectively.

The TD SYNnex Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restrict our ability to take certain actions. The TD SYNnex Credit Agreement also contains financial covenants that require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNnex credit facilities. The TD SYNnex Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

TD SYNnex Senior Notes

On August 9, 2021, we completed our offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due 2024, \$700.0 million of 1.75% senior notes due 2026, \$600.0 million of 2.375% senior notes due 2028, and \$500.0 million of 2.65% senior notes due 2031 (collectively, the "Senior Notes," and such offering, the "Senior Notes Offering"). We incurred \$19.6 million towards issuance costs for the Senior Notes. We pay interest semi-annually on the notes on each of February 9 and August 9. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of our existing indebtedness and pay related fees and expenses and for general corporate purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). We may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the "2024 Par Call Date") in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the "2026 Par Call Date") in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the "2028 Par Call Date") in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the "2031 Par Call Date" and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a "Par Call Date" and together, the "Par Call Dates"), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. We may also redeem the Senior Notes of any series at our option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

On June 14, 2022, we commenced an offer to exchange (the "Exchange Offer") our outstanding unregistered Senior Notes for new registered notes (the "Exchange Notes"). The purpose of the Exchange Offer was to fulfill our obligations under the applicable registration rights agreement entered into in connection with the issuance of the Senior Notes. We did not receive any proceeds from the Exchange Offer, and the aggregate principal amount of Exchange Notes that were issued was equal to the aggregate principal amount of Senior Notes that were surrendered pursuant to the Exchange Offer. The terms of the Exchange Notes are substantially identical to the terms of the respective series of the Senior Notes, except that the Exchange Notes are registered under the Securities Act, and certain transfer restrictions, registration rights, and additional interest provisions relating to the Senior Notes do not apply to the Exchange Notes. The Exchange Offer expired on July 14, 2022 and settlement occurred on July 15, 2022.

Other Borrowings and Term Debt

We have various other committed and uncommitted lines of credit with financial institutions, accounts receivable securitization arrangements, finance leases, short-term loans, term loans, credit facilities and book overdraft facilities, totaling approximately \$585.0 million as of August 31, 2022. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$177.2 million outstanding on these facilities at August 31, 2022, at a weighted average interest rate of 6.42%, and there was \$106.3 million outstanding at November 30, 2021, at a weighted average interest rate of 4.59%. Borrowings under certain of these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At August 31, 2022, we were also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$86.6 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States dollars at August 31, 2022 exchange rates.

Accounts Receivable Purchase Agreements

We have uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable owed by certain customers may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent upon the level of our trade accounts receivable eligible to be sold into these programs and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs also require that we continue to service, administer and collect the sold accounts receivable. At August 31, 2022 and November 30, 2021, we had a total of \$1.35 billion and \$759.9 million, respectively, of trade accounts receivable sold to and held by the financial institutions under these programs. Discount fees for these programs totaled \$5.0 million and \$11.9 million in the three and nine months ended August 31, 2022, respectively, and \$0.6 million and \$1.8 million in the three and nine months ended August 31, 2021, respectively.

Covenant Compliance

Our credit facilities have a number of covenants and restrictions that require us to maintain specified financial ratios. They also limit our ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of our business, and merge or consolidate. As of August 31, 2022, we were in compliance with the financial covenant requirements for the above arrangements.

Related Party Transactions

For a summary of related party transactions, see [Note 12](#) - Related Party Transactions to the Consolidated Financial Statements, which can be found under Part I, Item 1 of this Report.

Recently Issued Accounting Pronouncements

For a summary of recent accounting pronouncements and the anticipated effects on our consolidated financial statements, see [Note 2](#) - Summary of Significant Accounting Policies to the Consolidated Financial Statements, which can be found under Part I, Item 1 of this Report.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

For a description of the Company's market risks, see "Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

No material changes have occurred in our market risks since November 30, 2021.

ITEM 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures. We maintain "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our disclosure controls and procedures have been designed to meet reasonable assurance standards. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer) have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) Changes in internal control over financial reporting. Except as described below, there was no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) identified in connection with management's evaluation during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

On September 1, 2021 we completed the Merger. As a result, we are currently integrating legacy Tech Data into our control environment. In executing this integration, we are analyzing, evaluating, and where necessary, making changes in controls and procedures related to the legacy Tech Data business, which is expected to be completed in the fiscal year ending November 30, 2022.

PART II - OTHER INFORMATION**ITEM 1A. Risk Factors**

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021. Except as set forth below, there have been no material changes to the risk factors disclosed in our 2021 Annual Report on Form 10-K.

Global health and economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Worldwide economic conditions remain uncertain due to adverse consequences concerning the United States and China trade negotiations, market volatility as a result of political leadership in certain countries and other disruptions to global and regional economies and markets, including increases in inflation. External factors, such as potential terrorist attacks, acts of war, geopolitical and social turmoil or epidemics and other similar outbreaks in many parts of the world, could prevent or hinder our ability to do business, increase our costs and negatively affect our stock price. Russia's invasion of Ukraine and the subsequent economic sanctions imposed by the U.S., NATO and other countries may impact the economic conditions in or our ability to sell products to customers in the affected region. In addition, the conflict could have broader implications on economies outside the region, such as the global inflationary impact of a potential boycott of Russian oil and gas by other countries. More generally, these geopolitical, social and economic conditions could result in increased volatility in the United States and the worldwide financial markets and economy. For example, increased instability may enhance volatility in currency exchange rates, cause our customers or potential customers to delay or reduce spending on our products or services, and limit our suppliers' access to credit. It could also adversely impact our ability to obtain adequate insurance at reasonable rates and may require us to incur increased costs for security measures for our domestic and international operations. We are predominantly uninsured for losses and interruptions caused by terrorism, acts of war and similar events. These uncertainties make it difficult for us and our suppliers and customers to accurately plan future business activities.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

In June 2020, our Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which we may repurchase our outstanding common stock from time to time in the open market or through privately negotiated transactions.

The following table presents information with respect to purchases of common stock by the Company under the share repurchase program during the quarter ended August 31, 2022:

Period	Issuer Purchases of Equity Securities (amounts in thousands except for per share amounts)			
	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or program	Maximum dollar value of shares that may yet be purchased under the plans or programs
June 1 - June 30, 2022	111	\$ 98.11	111	\$ 336,321
July 1 - July 31, 2022	101	93.81	101	326,852
August 1 - August 31, 2022	97	102.25	97	316,963
Total	309	\$ 98.00	309	

ITEM 6. Exhibits

Exhibit Number	Description of Document
2.1+	Agreement and Plan of Merger, dated as of March 22, 2021, by and among SYNnex, Spire Sub I, Inc., Spire Sub II, LLC, and Tiger Parent (AP) Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 22, 2021).
3(i).1	Restated Certificate of Incorporation, as amended (incorporated by reference to Exhibit 3(i).1 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2022).
3(ii).1	Amended and Restated Bylaws (incorporated by reference to Exhibit 3(ii).1 to the Company's Annual Report on Form 10-K filed on January 28, 2022).
10.1	Form of Notice of Stock Option Grant and Stock Option Agreement (U.S.) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.2	Form of Notice of Stock Option Grant and Stock Option Agreement (non-U.S.) (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.3	Form of Notice of Restricted Stock Award and Restricted Stock Agreement (U.S.) (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.4	Form of Notice of Restricted Stock Award and Restricted Stock Agreement (non-U.S.) (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.5	Form of Notice of Restricted Stock Unit Award and Restricted Stock Unit Agreement (time-based) (U.S.) (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.6	Form of Notice of Restricted Stock Unit Award and Restricted Stock Unit Agreement (time-based) (non-U.S.) (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.7	Form of Notice of Performance-Based Restricted Stock Unit Award and Performance-Based Restricted Stock Unit Agreement (U.S.) (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.8	Form of Notice of Performance-Based Restricted Stock Unit Award and Performance-Based Restricted Stock Unit Agreement (non-U.S.) (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K filed on September 19, 2022).
10.9	First Omnibus Amendment to the Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of August 22, 2022 by and among SIT Funding Corporation, TD SYNnex Corporation, the lenders party thereto and The Toronto-Dominion Bank, as agent.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1*	Statement of the Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Form 10-Q and will not be deemed "filed" for purpose of Section 18 of the Exchange Act. Such certifications will not be deemed to be

incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

+Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. TD SYNEX hereby undertakes to furnish supplementally a copy of any omitted schedule or exhibit to such agreement to the U.S. Securities and Exchange Commission upon request; provided, however, that TD SYNEX may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules so furnished.

SIGNATURES

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

Date: October 4, 2022

TD SYNnex CORPORATION

By: /s/ Richard T. Hume
Richard T. Hume
President and Chief Executive Officer
(Duly authorized officer and principal executive officer)

By: /s/ Marshall W. Witt
Marshall W. Witt
Chief Financial Officer
(Duly authorized officer and principal financial officer)

**FIRST OMNIBUS AMENDMENT TO
FIFTH AMENDED AND RESTATED RECEIVABLES
FUNDING AND ADMINISTRATION AGREEMENT
AND
THIRD AMENDED AND RESTATED RECEIVABLES
SALE AND SERVICING AGREEMENT**

This FIRST OMNIBUS AMENDMENT (this "Amendment"), dated as of August 22, 2022, is entered into by and among SIT FUNDING CORPORATION (the "Borrower"), TD SYNnex CORPORATION ("TD Synnex"), individually and in its capacity as servicer (in such capacity, the "Servicer"), and as an Originator, each of the other entities listed on the signature pages hereto as an Originator (each an "Originator", and collectively, "Originators"), the MANAGING AGENTS, COMMITTED LENDERS and DISCRETIONARY LENDERS listed on the signature pages hereto, and THE TORONTO-DOMINION BANK, as administrative agent (the "Administrative Agent"), and is the (i) first (1st) amendment to the RFA (as defined below) and (ii) the twenty-first (21st) amendment to the SSA (as defined below).

RECITALS

A. WHEREAS, the Borrower, the Servicer, the Administrative Agent and each of the Managing Agents, Committed Lenders and Discretionary Lenders party thereto are parties to that certain Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of December 22, 2021 (together with all exhibits and schedules thereto, and as heretofore amended, restated or supplemented, the "RFA");

B. WHEREAS, the Originators, the Servicer and the Borrower, as buyer, are parties to that certain Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of January 23, 2009 (together with all exhibits and schedules thereto, and as heretofore amended, restated or supplemented, the "SSA"); and

C. WHEREAS, the Borrower, the Administrative Agent, the Servicer and each of the Managing Agents and Lenders desire to amend and modify certain terms of the RFA as hereinafter set forth, and the Borrower, the Servicer, each of the Originators and the Administrative Agent desire to amend and modify certain terms of the SSA as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Certain Defined Terms. Capitalized terms that are used herein without definition shall have the same meanings herein as in Annex X to the SSA and RFA.

2. Amendments to the RFA. Effective as of the date hereof, the parties hereto hereby agree:

(a) The RFA, together with all Exhibits, Schedules and Annexes thereto (other than Annex X) is hereby amended and restated in its entirety in the form of Exhibit A attached hereto.

(b) Annex X to the SSA and RFA is hereby amended and restated in its entirety in the form of Annex X attached hereto.

3. Representations and Warranties. Each of the Originators, the Borrower and the Servicer represents and warrants, for itself, as of the date hereof, as follows:

(c) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment.

(d) This Amendment has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligation, enforceable in accordance with its terms, except as such enforceability may be subject to (i) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(e) No consent, approval, authorization or order of, or filing (except for any filing required by federal securities laws), registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by such Person of this Amendment that has not already been obtained.

(f) The execution and delivery of this Amendment does not (i) violate, contravene or conflict with any provision of its organization documents or (ii) violate, contravene or conflict in any material respect with any laws applicable to such Person.

(g) Immediately after giving effect to this Amendment and the Repurchase Agreement, (i) the representations and warranties of the Borrower set forth in the RFA and the representations and warranties of the Servicer and Originators set forth in the SSA shall be true and correct (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof, in which case, such representations and warranties shall be true and correct as of such other date), (ii) no Termination Event, Incipient Termination Event, Servicer Termination Event or Incipient Servicer Termination Event shall have occurred and be continuing, (iii) no Funding Excess exists and (iv) the Facility Termination Date has not occurred.

4. Effect of Amendment. Except as expressly amended and modified by this Amendment, all provisions of the RFA and the SSA shall remain in full force and effect. After this Amendment becomes effective, all references in the RFA and the SSA to "this Agreement", "hereof", "herein" or words of similar effect referring to the RFA or the SSA, as applicable, shall be deemed to be references to the RFA and the SSA as amended by this Amendment. This Amendment shall not be deemed to expressly or impliedly waive, amend or supplement any provision of the RFA or the SSA other than as set forth herein.

5. Effectiveness. This Amendment shall become effective as of the date hereof upon the satisfaction of the following conditions precedent:

(a) Execution of Amendment. The Administrative Agent shall have received counterparts of this Amendment (whether by facsimile or otherwise) executed by each of the parties hereto.

(b) Execution of Related Agreements. The Administrative Agent shall have received counterparts (whether by facsimile or otherwise) of each of (i) the Fee Letter and (ii) that certain Repurchase Agreement, dated as of the date hereof (the "Repurchase Agreement"), and together with the Fee Letter, collectively, the "Related Agreements"), among the parties hereto, in each case, executed by each of the parties thereto.

(c) Receipt of Monthly Report. The Administrative Agent shall have received a copy of a pro forma Monthly Report prepared after giving effect to this Amendment and each of the Related Agreements.

6. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered (including by facsimile or electronic mail), will be deemed an original and all of which shall together constitute one and the same instrument.

7. Governing Law. **THIS AMENDMENT (EXCEPT TO THE EXTENT THAT ANY RELATED DOCUMENT EXPRESSLY PROVIDES TO THE CONTRARY) AND THE OBLIGATIONS ARISING HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT OTHERWISE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES), EXCEPT TO THE EXTENT THAT THE PERFECTION, EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF THE ADMINISTRATIVE AGENT IN THE BORROWER COLLATERAL OR REMEDIES HEREUNDER OR THEREUNDER, IN RESPECT THEREOF, ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.**

8. Severability. Each provision of this Amendment shall be severable from every other provision of this Amendment for the purpose of determining the legal enforceability of any provision hereof, and the unenforceability of one or more provisions of this Amendment in one jurisdiction shall not have the effect of rendering such provision or provisions unenforceable in any other jurisdiction.

9. Section Headings. The various headings of this Amendment are inserted for convenience only and shall not affect the meaning or interpretation of this Amendment or the RFA or the SSA or any provision hereof or thereof.

1. Related Document. This Amendment is a Related Document and all references to a “Related Document” in the RFA, the SSA and the other Related Documents (including, without limitation, all such references in the representations and warranties in the RFA, the SSA and the other Related Documents) shall be deemed to include this Amendment.

2. Reaffirmation of Originator Support Agreement. After giving effect to this Amendment and each of the other transactions contemplated hereby, all of the provisions of the Originator Support Agreement shall remain in full force and effect and Parent hereby ratifies and affirms the Originator Support Agreement and acknowledges that the Originator Support Agreement has continued and shall continue in full force and effect in accordance with its terms.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

SIT FUNDING CORPORATION,
as the Borrower

By: s/Marshall Witt
Name: Marshall Witt
Title: Chief Financial Officer

TD SYNnex CORPORATION, individually and
as Servicer, as Parent and as an Originator

By: s/Marshall Witt
Name: Marshall Witt
Title: Chief Financial Officer

HYVE SOLUTIONS CORPORATION,
as an Originator

By: s/Marshall Witt
Name: Marshall Witt
Title: Chief Financial Officer

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*First Omnibus Amendment to Fifth Amended and Restated Receivables
Funding and Administration Agreement and Third Amended and Restated
Receivables Sale and Servicing Agreement (Synnex)*

AVT TECHNOLOGY SOLUTIONS LLC,
as an Originator

By: s/Scott W. Walker
Name: Scott W. Walker
Title: Corporate Vice President, Treasurer

DLT SOLUTIONS, LLC,
as an Originator

By: s/Scott W. Walker
Name: Scott W. Walker
Title: Corporate Vice President, Treasurer

TECH DATA GOVERNMENT SOLUTIONS LLC,
as an Originator

By: s/Scott W. Walker
Name: Scott W. Walker
Title: Corporate Vice President, Treasurer

TECH DATA CORPORATION,
as an Originator

By: s/Scott W. Walker
Name: Scott W. Walker
Title: Corporate Vice President, Treasurer

MUFG LENDER GROUP:

MUFG BANK, LTD., as Administrator for Victory Receivables Corporation, as Managing Agent for the MUFG Lender Group and as the MUFG Committed Lender

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

VICTORY RECEIVABLES CORPORATION, as the MUFG Discretionary Lender

By: s/Kevin J. Corrigan
Name: Kevin J. Corrigan
Title: Vice President

BNS LENDER GROUP:

THE BANK OF NOVA SCOTIA,

as Administrator for Liberty Street Funding LLC, as Managing Agent for the BNS Lender Group and as the BNS Committed Lender

By: s/Nick Mantas

Name: Nick Mantas

Title: Director

LIBERTY STREET FUNDING LLC,

as the BNS Discretionary Lender

By: s/Kevin J. Corrigan

Name: Kevin J. Corrigan

Title: Vice President

SMBC LENDER GROUP:

SMBC NIKKO SECURITIES AMERICA, INC., as Administrator for Manhattan Asset Funding Company LLC and as Managing Agent for the SMBC Lender Group

By: s/Yukimi Konno
Name: Yukimi Konno
Title: Managing Director

MANHATTAN ASSET FUNDING COMPANY LLC, as the SMBC Discretionary Lender

By: MAF Receivables Corp., its Sole Member

By: s/Irina Khaimova
Name: Irina Khaimova
Title: Vice President

SUMITOMO MITSUI BANKING CORPORATION, as the SMBC Committed Lender

By: s/Irlen Mak
Name: Irlen Mak
Title: Director

BANA LENDER GROUP:

BANK OF AMERICA, N.A., as Managing Agent for the BANA Lender Group and as the
BANA Committed Lender

By: s/Chris Haynes
Name: Chris Haynes
Title: Senior Vice President

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*First Omnibus Amendment to Fifth Amended and Restated Receivables
Funding and Administration Agreement and Third Amended and Restated
Receivables Sale and Servicing Agreement (Synnex)*

WELLS LENDER GROUP:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Managing Agent for the Wells Lender Group and as the Wells Committed Lender

By: s/Dale Abernathy
Name: Dale Abernathy
Title: Director

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*First Omnibus Amendment to Fifth Amended and Restated Receivables
Funding and Administration Agreement and Third Amended and Restated
Receivables Sale and Servicing Agreement (Synnex)*

TD LENDER GROUP:

THE TORONTO-DOMINION BANK,

as Administrator for Reliant Trust, as Managing Agent for the TD Lender Group and as the TD Committed Lender

By: s/Luna Mills

Name: Luna Mills

Title: Managing Director

COMPUTERSHARE TRUST COMPANY OF CANADA, in its capacity as trustee of **RELIANT TRUST**, by its U.S. Financial Services Agent, **THE TORONTO-DOMINION BANK**, as the TD Discretionary Lender

By: s/Luna Mills

Name: Luna Mills

Title: Managing Director

ADMINISTRATIVE AGENT:

THE TORONTO-DOMINION BANK, as Administrative Agent

By: s/Luna Mills

Name: Luna Mills

Title: Managing Director

CRÉDIT AGRICOLE LENDER GROUP:

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Administrator for Atlantic Asset Securitization LLC, as Managing Agent for the Crédit
Agricole Lender Group and as the Crédit Agricole Committed Lender

By: s/Konstantina Kourmpetis
Name: Konstantina Kourmpetis
Title: Managing Director

By: s/Richard McBride
Name: Richard McBride
Title: Director

ATLANTIC ASSET SECURITIZATION LLC,
as the Crédit Agricole Discretionary Lender

By: s/Konstantina Kourmpetis
Name: Konstantina Kourmpetis
Title: Managing Director

By: s/Richard McBride
Name: Richard McBride
Title: Director

PNC LENDER GROUP:

PNC BANK, NATIONAL ASSOCIATION, as Managing Agent for the PNC Lender Group
and as the PNC Committed Lender

By: s/Christopher Blaney
Name: Christopher Blaney
Title: Senior Vice President

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*First Omnibus Amendment to Fifth Amended and Restated Receivables
Funding and Administration Agreement and Third Amended and Restated
Receivables Sale and Servicing Agreement (Synnex)*

MIZUHO LENDER GROUP:

MIZUHO BANK, LTD., as Managing Agent for the Mizuho Lender Group and as the Mizuho Committed Lender

By: s/Richard A. Burke
Name: Richard A. Burke
Title: Managing Director

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*First Omnibus Amendment to Fifth Amended and Restated Receivables
Funding and Administration Agreement and Third Amended and Restated
Receivables Sale and Servicing Agreement (Synnex)*

EXHIBIT A

AMENDMENTS TO THE RECEIVABLES FUNDING AND ADMINISTRATION AGREEMENT (OTHER THAN ANNEX X)

[Attached]

FIFTH AMENDED AND RESTATED
RECEIVABLES FUNDING AND ADMINISTRATION AGREEMENT

Dated as of December 22, 2021

by and among

SIT FUNDING CORPORATION,

as Borrower,

TD SYNnex CORPORATION,

as Servicer,

THE FINANCIAL INSTITUTIONS SIGNATORY HERETO FROM TIME TO TIME,

as Lenders and Managing Agents,

THE TORONTO-DOMINION BANK,

as a Lender and as Administrative Agent

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Exhibit 2.02(a)	Form of Facility Limit Reduction Notice
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THIS FIFTH AMENDED AND RESTATED RECEIVABLES FUNDING AND ADMINISTRATION AGREEMENT (as amended, restated, supplemented or otherwise modified and in effect from time to time, this "Agreement") (a) is entered into as of December 22, 2021 by and among SIT FUNDING CORPORATION, a Delaware corporation (the "Borrower"), TD SYNEX CORPORATION, a Delaware corporation (the "Parent"), in its capacity as servicer (in such capacity, the "Servicer"), THE TORONTO-DOMINION BANK (in its individual capacity, "TD"), as administrative agent for the Lenders hereunder (in such capacity, the "Administrative Agent"), the Committed Lenders and Discretionary Lenders from time to time party hereto (collectively, the "Lenders"), the Administrators from time to time party hereto (the "Administrators") and the Managing Agents from time to time party hereto (the "Managing Agents"), and (b) amends and restates that certain Fourth Amended and Restated Receivables Funding and Administration Agreement, dated as of November 12, 2010, among the Borrower, as borrower, the financial institutions signatory thereto as lenders and managing agents, and MUFG Bank, Ltd. ("MUFG"), as a lender, and as administrative agent (as heretofore amended, restated, supplemented and modified, the "Existing Receivables Funding Agreement").

RECITALS

A. The Borrower is a special purpose corporation, the sole shareholder of which is Parent.

B. The Borrower has been formed for the purpose of purchasing, or otherwise acquiring by capital contribution, Receivables of the Originators party to the Sale Agreement.

C. The Borrower intends to fund its purchases of the Receivables, in part, by borrowing Advances and pledging all of its right, title and interest in and to the Receivables as security therefor, and, subject to the terms and conditions hereof, the Lenders intend to make such Advances from time to time, as described herein.

D. The Administrative Agent has been requested and is willing to act as administrative agent on behalf of each of the Lenders in connection with the making and financing of such Advances.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in Annex X.

Section 1.02. Rules of Construction. For purposes of this Agreement, the rules of construction set forth in Annex X shall govern. All Appendices hereto, or expressly identified to this Agreement, are incorporated herein by reference and, taken together with this Agreement, shall constitute but a single agreement.

Section 1.03. Amendment and Restatement. Upon the satisfaction or waiver of the conditions precedent set forth herein, (a) the terms and provisions of the Existing Receivables Funding Agreement shall be amended, superseded and restated in their entirety by the terms and provisions of this Agreement and, unless expressly stated to the contrary, each reference to the

Existing Receivables Funding Agreement in any of the Related Documents or any other document, instrument or agreement delivered in connection therewith shall mean and be a reference to this Agreement, (b) this Agreement is not intended to and shall not constitute a novation of the Existing Receivables Funding Agreement or the obligations and liabilities existing thereunder, (c) the commitment of each "Committed Purchaser" (as defined in the Existing Receivables Funding Agreement) that is a party to the Existing Receivables Funding Agreement shall, on the Effective Date, automatically be deemed restated or terminated and the only Commitments shall be those hereunder, (d) with respect to any date or time period occurring and ending prior to the Effective Date, the rights and obligations of the parties to the Existing Receivables Funding Agreement shall be governed by the Existing Receivables Funding Agreement and the other Related Documents (as defined therein), and (e) with respect to any date or time period occurring and ending on or after the Effective Date, the rights and obligations of the parties hereto shall be governed by this Agreement and the other Related Documents (as defined herein).

ARTICLE II.

AMOUNTS AND TERMS OF ADVANCES

Section 2.01. Advances.

(a) Advances. (i) From and after the Effective Date and until the Facility Termination Date and subject to the terms and conditions hereof, each Lender (other than the Discretionary Lenders) severally agrees to make its Pro Rata Share of advances (each such advance hereunder, an "Advance") to the Borrower from time to time, subject to Section 2.01(c). The Outstanding Principal Amount of all Advances shall not at any time exceed the Facility Limit and the Outstanding Principal Amount of Advances made by each Lender shall not exceed such Lender's Pro Rata Share of the Facility Limit. The Outstanding Principal Amount of Advances made by each Lender Group shall not exceed the aggregate Pro Rata Share (of the Committed Lenders in such Lender Group) of the Facility Limit. Except to the extent provided in Section 2.06(c), no Lender shall make any Advances if, after giving effect thereto, a Funding Excess would exist. The Borrower may from time to time borrow, repay and reborrow Advances hereunder on the terms and conditions set forth herein.

(ii) The Borrower shall execute and deliver to each Lender that makes a request therefor, a note to evidence the Advances which may be made hereunder from time to time by such Lender. Each such note shall be (x) in the principal amount of the Pro Rata Share of the Facility Limit of the applicable Lender (or, in the case of a Discretionary Lender, in the principal amount of the aggregate Pro Rata Share (of the Committed Lenders in such Discretionary Lender's Lender Group) of the Facility Limit), (y) dated as of the date of issuance thereof, and (z) substantially in the form of Exhibit 2.01(a)(ii) (each, a "Revolving Note"). Each Revolving Note shall represent the obligation of the Borrower to pay the amount of the applicable Lender's portion of the aggregate Outstanding Principal Amount made to the Borrower, together with interest thereon as prescribed in Section 2.06. The Outstanding Principal Amount of Advances and all other accrued and unpaid Borrower Obligations shall be immediately due and payable in full in immediately available funds on the Facility Termination Date.

(b) Reserved.

(c) Discretionary Lenders. Notwithstanding anything in this Agreement or any Related Document to the contrary, no Discretionary Lender shall have any commitment hereunder and may fund Advances hereunder solely in its own discretion. If a Discretionary Lender does not elect to fund an Advance, the related Committed Lenders in such Discretionary

Lender's Lender Group shall fund in its stead subject to the conditions set forth herein. While it is the intent of each Discretionary Lender to fund each requested Advance through the issuance of Commercial Paper, the parties acknowledge that if any such Discretionary Lender is unable, or determines that it is undesirable, to issue Commercial Paper to fund all or any portion of the Advances, or is unable to repay such Commercial Paper upon the maturity thereof, such Discretionary Lender may put all or any portion of its Advances to its Program Support Providers at any time pursuant to the Program Support Agreement or to its Committed Lenders pursuant to Article XIII.

Section 2.02. Optional Changes in Facility Limit.

(a) Partial Reduction of Facility Limit. So long as no Incipient Termination Event or Termination Event shall have occurred and be continuing, the Borrower may, not more than twice during each calendar year, permanently reduce in part the Facility Limit; *provided* that (i) the Borrower shall give ten Business Days' prior written notice of any such reduction to the Administrative Agent addressed to the Administrative Agent and each Managing Agent (and the Administrative Agent shall provide a copy thereof to each Managing Agent) substantially in the form of Exhibit 2.02(a) (each such notice, a "Facility Limit Reduction Notice"), (ii) any such partial reduction of the Facility Limit shall be in a minimum amount of \$5,000,000 or an integral multiple thereof, and (iii) no such partial reduction shall reduce the Facility Limit below the greater of (x) the Outstanding Principal Amount at such time and (y) \$1,000,000,000. Any such partial reduction in the Facility Limit shall result in a reduction in each Committed Lender's Commitment in an amount equal to such Committed Lender's Pro Rata Share of the amount by which the Aggregate Commitment is being reduced. Notwithstanding the foregoing, any such reduction at any time that an Accordion Commitment is in effect shall be deemed to first, temporarily reduce the Accordion Facility Limit then in effect by reducing the Accordion Commitment of each Lender Group with an Accordion Commitment in an amount equal to such Lender Group's Accordion Pro Rata Share of the amount by which the Accordion Facility Limit is being reduced until such Accordion Facility Limit equals \$0 and second, permanently reduce the Non-Accordion Facility Limit then in effect by reducing each Committed Lender's Commitment in accordance with this clause(a).

(b) Facility Termination. The Borrower may, at any time, on at least 30 days' prior written notice by the Borrower to the Administrative Agent addressed to the Administrative Agent and each Managing Agent (and the Administrative Agent shall provide a copy thereof to each Managing Agent), terminate the facility provided in this Article II by irrevocably reducing the Facility Limit to zero; *provided* that (i) such notice of termination shall be substantially in the form of Exhibit 2.02(b) (the "Facility Termination Notice"), (ii) the Borrower shall reduce the aggregate outstanding amount of Advances to zero, and make all payments required by Section 2.03(h) at the time and in the manner specified therein and (iii) the Borrower shall pay any amounts owed under Section 2.02(d) in connection therewith. Upon such termination, the Borrower's right to request that any Lender make Advances hereunder shall in each case simultaneously terminate and the Facility Termination Date shall automatically occur.

(c) Increases to Facility Limit. (i) So long as no Incipient Termination Event or Termination Event shall have occurred and be continuing, the Borrower may, once per quarter, during any calendar quarter of each year request that one or more Lender Groups increase their respective Commitments then in effect; *provided* that (A) the Borrower shall submit such request to the Administrative Agent and each Managing Agent (and the Administrative Agent shall provide a copy thereof to each Managing Agent) of the Lender Group being requested to increase its Commitment substantially in the form of Exhibit 2.02(c)(i) (each such request, a "Facility Limit Increase Request"), (B) each Facility Limit Increase Request shall specify (1) the date on which the Borrower requests an increase to the

Facility Limit of each applicable Lender Group, which date may not be earlier than ten Business Days from the date each Facility Limit Increase Request is delivered to the Administrative Agent and addressed to the Administrative Agent and each applicable Managing Agent (and the Administrative Agent shall provide a copy thereof to each Managing Agent) (each such date, a “Facility Limit Increase Date”), (2) the amount of any such increase of the Facility Limit, which shall be in a minimum amount of \$25,000,000 or an integral multiple thereof, and (3) the name of each Lender Group to which such request is being made, *provided* that if the requested increase is greater than \$25,000,000, the request shall be deemed to have been made to each Lender Group ratably according to each Lender's Pro Rata Share of the Non-Accordion Facility Limit; *provided further* that no Lender Group shall be offered a \$25,000,000 increase more than once in any three consecutive quarters during which such an increase is requested unless each other Managing Agent (on behalf of each other related Lender Group) has refused to consent to such Facility Limit Increase Request and (C) after giving effect to any such increase, the Facility Limit shall not exceed the sum of (1) the Non-Accordion Facility Limit then in effect and (2) \$150,000,000, without the prior written consent of all Managing Agents.

(ii) Each Managing Agent (on behalf of its related Lender Group) shall, in its sole discretion, make a determination whether or not to grant any request to increase its Lender Group's Commitment under this clause (c) and shall notify the Borrower and the Administrative Agent in writing of such determination on or before the requested Facility Limit Increase Date; *provided* that if any Managing Agent fails to so notify the Administrative Agent, the Lenders in its Lender Group shall be deemed to have refused to consent to such Facility Limit Increase Request.

(iii) The Borrower's request for the increases in the respective Commitments of the Lender Groups shall be ratably with respect to each such Lender Group (according to the then existing Commitments of all such Lender Groups) in respect of any Facility Limit Increase Request greater than \$25,000,000, and if Lender Groups holding less than 100% of the aggregate Commitments of all Lender Groups consent to such increase in their respective Commitment, the Borrower may request further increases in the Commitments of the Lender Groups who have consented (any such Lender Group, an “Increasing Lender Group”) (by written notice to the Managing Agents for the Increasing Lender Groups), on a ratably basis (based on the then existing Commitments of all such Increasing Lender Groups), unless otherwise consented to in writing by all of the Managing Agents for such Increasing Lender Groups and at the sole discretion of the Managing Agents for each such Increasing Lender Group.

(iv) Notwithstanding anything herein to the contrary, (A) to the extent that the Outstanding Principal Amount of all Advances is at any time equal to or less than the Non-Accordion Facility Limit, all Advances shall be made during such time ratably according to each Lender's Pro Rata Share of the Non-Accordion Facility Limit prior to giving effect to any increases under this clause (c) and (B) so long as the Outstanding Principal Amount of all Advances is greater than the Non-Accordion Facility Limit, all Advances with respect to the Accordion Facility Limit shall be made ratably according to each Lender's Accordion Pro Rata Share of the Accordion Facility Limit.

(v) On any date of determination, if the aggregate Accordion Advanced Amount is greater than zero after giving effect to any reduction pursuant to clause (a), the Borrower shall immediately pay to each Managing Agent of an Increasing Lender Group, for the benefit of the related Lenders, an amount to be applied to reduce such Lender's Accordion Advanced Amount (ratably, according to each such Lender's Accordion Advanced Amount), such that after giving effect to such payment, the aggregate Accordion Advanced Amount does not exceed the Accordion Facility Limit then in effect.

(vi) The Borrower's request for the increases with respect to Commitments of any single Lender Group in respect of any Facility Limit Increase Request for \$25,000,000 shall be a *non-pro rata* increase to the Commitment of such Lender Group if such Lender Group consents to such request.

(vii) The Accordion Facility Limit may be increased in accordance with this clause (c) and subsequently reduced in accordance with clause (a) above, in each case, subject to the minimum and maximum amounts, timeframes and limits set forth herein and therein.

(viii) The Borrower shall (and shall cause the Servicer to) deliver all documents, instruments, reports, opinions and agreements as the Administrative Agent and any Managing Agent may reasonably request in connection with making a determination as to whether or not to grant any request under this clause (c), including, on or prior to the effectiveness of any increase pursuant to this clause (c), a confirmation regarding such increase for each Increasing Lender Group, substantially in the form of Exhibit 2.02(c)(viii) (each, an "Accordion Confirmation") and executed by the Borrower, the Servicer, the Administrative Agent and the Managing Agent for each such Increasing Lender Group, an executed copy of which shall be circulated to each Managing Agent by the Administrative Agent.

(d) Notices. Each Facility Termination Notice and Facility Limit Reduction Notice shall be irrevocable and shall be effective (i) on the day of receipt if received by the Administrative Agent and the Managing Agents not later than 4:00 p.m. (New York time) on any Business Day and (ii) on the immediately succeeding Business Day if received by the Administrative Agent and the Managing Agents after such time on such Business Day or if any such notice is received on a day other than a Business Day (regardless of the time of day such notice is received). Each Facility Termination Notice or Facility Limit Reduction Notice shall specify, respectively, the amount of, or the amount of the proposed reduction in, the Facility Limit.

(e) Increase in Non-Accordion Facility Limit.

(i) So long as no Incipient Termination Event or Termination Event shall have occurred and be continuing, the Borrower may request that one or more Lender Groups increase their respective Commitments then in effect; *provided* that (A) the Borrower shall submit such request to the Administrative Agent and each Managing Agent of the Lender Group being requested to increase its Commitment and such request shall specify (1) the date on which the Borrower requests an increase to the Non-Accordion Facility Limit of each applicable Lender Group, which date may not be earlier than ten Business Days from the date such request is delivered to the applicable Managing Agent, (2) the amount of any such increase of the Non-Accordion Facility Limit and (3) the name of each Lender Group to which such request is being made, and (B) after giving effect to any such increase, the Non-Accordion Facility Limit shall not exceed \$2,500,000,000.

(ii) Each Managing Agent (on behalf of its related Lender Group) shall, in its sole discretion, make a determination whether or not to grant any request to increase its Lender Group's Commitment under this clause (e) and shall notify the Borrower and the Administrative Agent in writing of such determination on or before the requested date of such increase; *provided* that if any Managing Agent fails to so notify the Administrative Agent, the Lenders in its Lender Group shall be deemed to have refused to consent to such increase request.

(iii) The Borrower shall pay all fees payable to each Lender that is increasing its Commitment pursuant to clauses (i) and (ii) above in accordance with the Fee Letter.

Notwithstanding anything herein to the contrary, no Lender shall have any obligation to increase its Commitment and no Lender's Commitment shall be increased without its consent thereto, and each Lender may in its sole and absolute discretion, unconditionally and without cause, decline to increase its Commitment.

Upon the effectiveness of any increase pursuant to this clause (e), the Administrative Agent will reallocate the outstanding Advances hereunder such that, after giving effect thereto, the ratio of each Lender's share of outstanding Advances to its share of Commitments will be such Lender's Pro Rata Share (after giving effect to the increase in the Aggregate Commitment pursuant to this clause (e)). In connection with any such reallocation of the outstanding Advances, (x) the Administrative Agent will give advance notice to each Lender which is required to fund any amount or receive any partial repayment in connection therewith and (y) the applicable Lender or Lenders will fund such amounts up to their respective shares of the Advances being reallocated and the Administrative Agent shall remit to any applicable Lenders its applicable portion of such funded amount if necessary to give effect to the reallocation of such Advances. In connection with such repayment made with respect to such reallocation (to the extent such repayment is required), the Borrower shall pay all interest due on the amount repaid to the date of repayment on the immediately following Settlement Date.

Section 2.03. Procedures for Making Advances.

(a) Borrowing Requests. Except as provided in Section 2.06(c), each Borrowing shall be made upon notice by the Borrower to the Administrative Agent and each Managing Agent in the manner provided herein. Any such notice must be in writing and received no later than (i) if the amount of the requested Borrowing does not exceed \$500,000,000, 11:00 a.m. (New York time) on the Business Day of the proposed Advance Date set forth therein (such Borrowing, a "Same-Day Borrowing") or (ii) otherwise, 3:00 p.m. (New York time) on the Business Day preceding the Business Day of the proposed Advance Date set forth therein. Each such notice (a "Borrowing Request") shall (i) be substantially in the form of Exhibit 2.03(a), (ii) be irrevocable and (iii) specify the amount of the requested Borrowing (which shall be in a minimum amount of \$1,000,000 or an integral multiple of \$500,000 in excess of \$1,000,000) and the proposed Advance Date (which shall be a Business Day), and shall include such other information as may be required by the Lenders and the Administrative Agent. No more than one Borrowing Request shall be permitted to be outstanding at any time for a Same-Day Borrowing. Each Borrowing Request shall be irrevocable and binding on the Borrower, and the Borrower shall indemnify each Lender against any loss or expense incurred by such Lender, either directly or indirectly (including, in the case of any Conduit Lender, through a Program Support Agreement) as a result of any failure by the Borrower to complete such borrowing, including any loss (including loss of profit) or expense incurred by the Administrative Agent, any Managing Agent or any Lender, either directly or indirectly (including, in the case of any Conduit Lender, pursuant to a Program Support Agreement) by reason of the liquidation or reemployment of funds acquired by such Lender (or the applicable Program Support Provider(s)) (including funds obtained by issuing commercial paper or promissory notes or obtaining deposits or loans from third parties) in order to fund such borrowing.

(b) Advances; Payments. The applicable Lenders shall make the amount of such applicable Advance available to the Administrative Agent in same day funds by wire transfer to the Agent Account not later than 3:00 p.m. (New York time) on the requested

Advance Date. After receipt of such wire transfers (or, in the Administrative Agent's sole discretion in accordance with Section 2.03(c), before receipt of such wire transfers), subject to the terms hereof, the Administrative Agent shall make available to the Borrower by deposit into the Borrower Account on the Advance Date therefor, the amount of the requested Borrowing.

(c) Availability of Lenders' Advances. The Administrative Agent may assume that each Lender will make its Pro Rata Share of each Borrowing of Advances available to the Administrative Agent on each Advance Date. If and to the extent the Administrative Agent has made available to the Borrower such Lender's Pro Rata Share of any such Borrowing but such Pro Rata Share is not, in fact, paid to the Administrative Agent by such Lender when due, then such Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand an amount equal to the sum of (x) such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, Adjusted SMIR plus the rate used to compute the Program Fee, plus (y) any additional charges, costs or expenses of the Administrative Agent in connection therewith, including any internally assessed charges, costs or expenses. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute principal of such Lender's Advance. If the Borrower pays such amount to the Administrative Agent, then such amount shall constitute repayment in full of such amount in lieu of any and all other interest or fees that would have been due thereon had such Lender not failed to pay such amount or make available its Pro Rata Share of such Borrowing. Nothing in this Section 2.03(c) or elsewhere in this Agreement or the other Related Documents shall be deemed to require the Administrative Agent to advance funds on behalf of any Lender or to relieve any Lender from its obligation to fulfill its Commitment hereunder or to take any action that would prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. Any such payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(d) Return of Payments. (i) If the Administrative Agent pays an amount to a Lender under this Agreement in the belief or expectation that a related payment has been or will be received by the Administrative Agent from the Borrower and such related payment is not received by the Administrative Agent, then the Administrative Agent will be entitled to recover such amount from such Lender on demand without set-off, counterclaim or deduction of any kind.

(ii) If at any time any amount received by the Administrative Agent under this Agreement must be returned to the Borrower or paid to any other Person pursuant to any insolvency law or otherwise, then, notwithstanding any other term or condition of this Agreement or any other Related Document, the Administrative Agent will not be required to distribute any portion thereof to any Lender. In addition, each Lender will repay to the Administrative Agent on demand any portion of such amount that the Administrative Agent has distributed to such Lender, together with interest at such rate, if any, as the Administrative Agent is required to pay to the Borrower or such other Person, without set-off, counterclaim or deduction of any kind.

(e) Non-Funding Lenders. The failure of any Lender (each such Lender, a "Non-Funding Lender") to make any Advance required to be made by it on the date specified therefor shall not relieve any other Lender (each such other Lender, an "Other Lender") of its

obligations to make the Advance required to be made by it, but neither any Other Lender nor the Administrative Agent shall be responsible for the failure of any Non-Funding Lender to make an Advance to be made by such Non-Funding Lender.

(f) [Reserved].

(g) [Reserved].

(h) Principal Repayments. The Borrower may repay outstanding Advances hereunder in part on any Settlement Date or in full at any time; *provided* that (i) the Borrower shall give not less than one Business Day's prior written notice (*provided* that same day written notice shall be permitted if the aggregate outstanding Advances being repaid does not exceed \$500,000,000) of any such repayment to the Administrative Agent (with a copy to each Managing Agent) substantially in the form of Exhibit 2.03(h) (each such notice, a "Repayment Notice"), (ii) each such notice shall be irrevocable, (iii) each such notice shall specify the amount of the requested repayment and the proposed date of such repayment (which shall be a Business Day), (iv) any such repayment shall be applied to the outstanding Advances, (v) each such repayment shall be deposited in the Agent Account and (vi) any such repayment must be accompanied by payment of (A) all interest accrued and unpaid on the portion of the outstanding principal balance of the Advances to be repaid through but excluding the date of such repayment and (B) the amounts required to be paid in accordance with Section 2.10, if any. Any such notice of repayment must be received by the Administrative Agent no later than 3:00 p.m. (New York time) on the Business Day immediately preceding the date of the proposed repayment (or no later than 11:00 a.m. (New York time) with respect to any same day repayment); *provided further* that the foregoing requirements shall not apply to repayment of the outstanding principal amount of Advances as a result of the application of Collections pursuant to Section 2.08.

Section 2.04. Pledge and Release of Transferred Receivables.

(a) Pledge. The Borrower shall indicate in its Records that the Transferred Receivables have been pledged hereunder and that the Administrative Agent has a lien on and security interest in all such Transferred Receivables for the benefit of the Secured Parties. The Borrower shall, and shall cause the Servicer to, hold all Contracts and other documents relating to such Transferred Receivables in trust for the benefit of the Administrative Agent on behalf of the Secured Parties in accordance with their interests hereunder. The Borrower hereby acknowledges that its retention and possession of such Contracts and documents shall at all times be at the sole discretion of the Administrative Agent and in a custodial capacity for the Administrative Agent's (on behalf of the Secured Parties) benefit only.

(b) Repurchases of Transferred Receivables. If an Originator is required (or permitted) to repurchase Transferred Receivables from the Borrower pursuant to Section 4.04 of the Sale Agreement, upon payment by such Originator to the applicable Concentration Account of the applicable repurchase price thereof (which repurchase price shall not be less than an amount equal to the Outstanding Balance of such Transferred Receivable), the Administrative Agent on behalf of the Secured Parties shall release their liens on and security interests in the Transferred Receivables being so repurchased.

Section 2.05. Facility Termination Date. Notwithstanding anything to the contrary set forth herein, no Lender shall have any obligation to make any Advances from and after the Facility Termination Date.

Section 2.06. Interest, Charges.

(a) From time to time, for purposes of determining the Interest Periods applicable to the different portions of the Outstanding Principal Amount funded by its Lender Group and of calculating Yield with respect thereto, each Managing Agent shall allocate the Outstanding Principal Amount allocable to its Lender Group to one or more tranches (each a "Portion of Advances"). At any time, each Portion of Advances shall have only one Interest Period and one Rate Type.

(b) All outstanding Borrower Obligations shall bear interest at the Default Rate from the date of any Termination Event until such Termination Event is waived.

(c) The Administrative Agent (acting at the direction of the Requisite Lenders) is authorized to charge to the Borrower as Advances and cause to be paid all Fees, expenses, charges, costs, interest and principal, other than principal of the Advances, owing by the Borrower under this Agreement or any of the other Related Documents if and to the extent the Borrower fails to pay any such amounts as and when due, and any charges so made shall constitute part of the Outstanding Principal Amount hereunder even if such charges would cause the aggregate balance of the Outstanding Principal Amount to exceed the Borrowing Base.

Section 2.07. Fees.

(a) On the Closing Date, the Borrower shall pay to the Agent Account, for the account of the Administrative Agent and the Lenders, as applicable, the fees set forth in the Fee Letter that are payable on the Closing Date.

(b) From and after the Closing Date, as additional compensation for the Lenders, the Borrower agrees to pay to Administrative Agent, for the ratable benefit of such Lenders, monthly in arrears, on each Settlement Date, the Facility Fee and the Program Fee by depositing such Facility Fee and Program Fee in the Agent Account. All computations of per annum fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first but excluding the last day) elapsed.

(c) On each Settlement Date, the Borrower shall pay to the Servicer or to the Successor Servicer, as applicable, the Servicing Fee or the Successor Servicing Fees and Expenses, respectively, in each case to the extent of available funds therefor pursuant to Section 2.08.

Section 2.08. Application of Collections; Time and Method of Payments.

(a) Each Advance shall mature, and be payable, on the earlier of (i) the date funds are allocated to such Advance pursuant to clause (iv)(A), (v) or (vi) of subsection (c) below (and in such case only to the extent of the funds so allocated), and (ii) the Facility Termination Date (in which case such Advance shall be payable in full).

(b) [Reserved].

(c) The Servicer shall set aside and hold in trust for the benefit of the Secured Parties (or, if so requested by the Administrative Agent during a Ratings Period or following the occurrence and continuation of a Termination Event or Event of Servicer Termination, segregate in a separate account designated by the Administrative Agent, which shall be an account maintained and controlled by the Administrative Agent unless the Administrative Agent otherwise instructs in its sole discretion), for application in accordance with the priority of payments set forth below, all Collections on Transferred Receivables that are received by the Servicer or the Borrower or received in any Lockbox or any Account; provided, however, that so long as each of the conditions precedent set forth in Section 3.03 are satisfied on such date,

the Servicer may release to the Borrower from such Collections the amount (if any) necessary to pay (i) the purchase price for Receivables purchased by the Borrower on such date in accordance with the terms of the Sale Agreement or (ii) amounts owing by the Borrower to the Originators under the Subordinated Notes (each such release, a “Release”). On each Settlement Date, the Servicer (or, following its assumption of control of the Collection Accounts, the Administrative Agent) shall distribute such Collections in the following order of priority:

(i) first, to the Agent Account, to the extent then due and payable, *pro rata*, to the payment of all Fees accrued and unpaid through such date and all unreimbursed expenses of the Administrative Agent which are reimbursable pursuant to the terms hereof;

(ii) second, to the Agent Account, to the payment of accrued and unpaid Yield which is then due and payable in respect of the applicable Advances, *pro rata* based upon amounts due;

(iii) third, if the Servicer has been replaced as a result of the occurrence of an Event of Servicer Termination and such Servicer is not an Affiliate of the Parent, to the payment of the aggregate accrued and unpaid Servicing Fees through such date payable to such replacement Servicer;

(iv) fourth, to the Agent Account, to be paid (A) first, if required pursuant to Section 2.02(c)(v), in an amount sufficient to reduce the aggregate Accordion Advanced Amount (ratably according to each Lender’s Accordion Advanced Amount, if any) until such amount is reduced to zero and (B) second, in an amount equal to all outstanding Advances (ratably according to each Lender’s outstanding Advances, if any) which are then due and payable;

(v) fifth, to the extent that a Funding Excess exists, to the Agent Account, in payment of a portion of the Outstanding Principal Amount at such time, in an aggregate amount equal to the amount necessary to reduce the Funding Excess to zero (\$0), together with amounts payable with respect thereto under Section 2.10, if any, (ratably according to each Lender’s outstanding Advances, if any);

(vi) sixth, if any of the conditions precedent set forth in Section 3.02 shall not be satisfied, to the Agent Account, to the payment of the Outstanding Principal Amount of all other Advances, together with amounts payable with respect thereto under Section 2.10, if any, *pro rata*;

(vii) seventh, to the extent then due and payable, *pro rata*, to the payment of all other obligations of the Borrower accrued and unpaid hereunder, including the expenses of the Lenders reimbursable under Section 12.04; and

(viii) eighth, to be paid to the Borrower.

(d) If and to the extent a Funding Excess exists on any Business Day, the Borrower (or the Servicer on its behalf) shall deposit an amount equal to the amount of such Funding Excess in the Agent Account by no later than 11:00 a.m. (New York time) on the immediately succeeding Business Day, which amount shall be applied by the Administrative Agent, in immediate repayment of the outstanding amount of Advances (together with amounts payable with respect thereto under Section 2.10).

(e) The Borrower and the Servicer hereby irrevocably waive the right to direct the application of any and all payments received from or on behalf of the Borrower or the

Servicer, and each of the Borrower and the Servicer hereby irrevocably agree that any and all such payments shall be applied by the Administrative Agent in accordance with this Section 2.08.

(f) All payments of principal of the Advances and all payments of interest, Fees and other amounts payable by the Borrower hereunder shall be made in Dollars, in immediately available funds. Any such payment becoming due on a day other than a Business Day shall be payable on the next succeeding Business Day. Payments received at or prior to 1:00 p.m. (New York time) on any Business Day shall be deemed to have been received on such Business Day. Payments received after 1:00 p.m. (New York time) on any Business Day or on a day that is not a Business Day shall be deemed to have been received on the following Business Day.

(g) Any and all payments by the Borrower hereunder and under any Related Document shall be made in accordance with this Section 2.08 without setoff or counterclaim and free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, duties, assessments, fees, Charges or withholdings (including any interest, additions to tax or penalties applicable thereto) (such taxes, levies, imposts, deductions, duties, etc. being "Taxes"), excluding (i) any such Taxes imposed on or measured by the net income, branch profits, gross receipts or franchise taxes of any Affected Party by the jurisdictions under the laws of which such Affected Party is organized, tax resident or doing business or, in each case, by any political subdivisions thereof, (ii) U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Affected Party with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (x) such Affected Party acquires such interest in the Loan or Commitment or (y) such Affected Party changes its lending office, except in each case to the extent that, pursuant to this section, amounts with respect to such Taxes were payable either to such Affected Party's assignor immediately before such Affected Party became a party hereto or to such Affected Party immediately before it changed its lending office, (iii) any withholding Taxes imposed under FATCA and (iv) any Taxes attributable to such Affected Party's failure to comply with Section 2.08(h) (such non-excluded Taxes being "Indemnified Taxes"). If the Borrower shall be required by law to deduct or withhold any Taxes from or in respect of any sum payable hereunder, (i) if such Tax is an Indemnified Tax, the sum payable shall be increased as much as shall be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section 2.08) the Affected Party entitled to receive any such payment receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the Borrower shall make such deductions or withholdings, and (iii) the Borrower shall pay the full amount deducted or withheld to the relevant taxing or other authority in accordance with applicable law. Within 30 days after the date of any payment of Taxes pursuant to this Section 2.08, the Borrower shall furnish to the Administrative Agent the original or a certified copy of a receipt evidencing payment thereof. The Borrower shall indemnify any Affected Party from and against, and, within ten days of demand therefor, pay any Affected Party for, the full amount of Indemnified Taxes (together with any Indemnified Taxes imposed by any jurisdiction on amounts payable under this Section 2.08) payable or paid by such Affected Party and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally asserted.

(h) Any Affected Party that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Related Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Affected

Party, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Affected Party is subject to backup withholding or information reporting requirements. Furthermore, if a payment made to an Affected Party under any Related Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Affected Party were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Affected Party shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Affected Party has complied with such Affected Party's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for these purposes, "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Each Affected Party agrees that if any form or certification it previously delivered pursuant to this Section 2.08(g) expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(i) The Administrative Agent shall provide the Borrower an IRS Form W-9, IRS Form W-8BEN-E or IRS Form W-8ECI, as applicable, with respect to income it is receiving for its own account, and an IRS Form W-9 or IRS Form W-8IMY with respect to amounts payable to it for the account of others at the closing and upon the reasonable request of the Borrower.

(j) The Servicer hereby agrees to indemnify and hold harmless each Affected Party and the Administrative Agent from and against any and all losses arising from a failure to timely receive the Outstanding Principal Amount along with Yield and Fees on the Advances to the extent caused by any income tax imposed on or payable by Borrower.

(k) Upon receipt of a notice in accordance with Section 7.03 of the Sale Agreement, the Administrative Agent shall, if such amounts have not been applied to the Borrower Obligations, segregate the Unrelated Amounts and the same shall not be deemed to constitute Collections on Transferred Receivables.

Section 2.09. Capital Requirements; Additional Costs.

(a) Capital Requirements. If any Affected Party shall have determined that, after the date hereof, the adoption or implementation of or any change in any law, treaty, governmental (or quasi governmental) rule, regulation, guideline or order or in the administration, interpretation, implementation or application thereof by any Governmental Authority regarding capital adequacy, reserve or liquidity requirements or similar requirements or compliance by such Affected Party with any request or directive regarding capital adequacy, reserve or liquidity requirements or similar requirements (whether or not having the force of law) from any central bank or other Official Body increases or would have the effect of increasing the amount of capital, liquidity, reserves or other funds required to be maintained by such Affected Party against commitments made by it under this Agreement or any other Related Document or Program Support Agreement and thereby reducing the rate of return on such Affected Party's capital as a consequence of its commitments hereunder or thereunder (each, an "Increased Capital Rate of Return Reduction Event"), then the Borrower shall from time to time upon demand by the Administrative Agent pay to the Administrative Agent on behalf of such

Affected Party additional amounts sufficient to compensate such Affected Party for such reduction together with interest thereon from the date of any such demand until payment in full at the applicable Base Rate. A certificate as to the amount of that reduction and showing the basis of the computation thereof submitted by the Affected Party to the Borrower shall be final, binding and conclusive on the parties hereto (absent manifest error) for all purposes. For the avoidance of doubt, (i) all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, in each case, shall constitute an adoption, change, request or directive, and any implementation thereof that results in an Increased Capital Rate of Return Reduction Event shall be subject to this Section 2.09(a). For all purposes of this Agreement (including, without limitation, Section 2.09), the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives in connection therewith are deemed to have gone into effect and adopted thirty (30) days after the Closing Date.

(b) Additional Costs. If, due to any Regulatory Change, there shall be any increase in the cost to any Affected Party of agreeing to make or making, funding or maintaining any commitment hereunder or under any other Related Document or Program Support Agreement, including with respect to any Advances, or other Outstanding Principal Amount, or any reduction in any amount receivable by such Affected Party hereunder or thereunder, including with respect to any Advances, or other Outstanding Principal Amount (any such increase in cost or reduction in amounts receivable are hereinafter referred to as “Additional Costs”), then the Borrower shall, from time to time upon demand by the Administrative Agent, pay to the Administrative Agent on behalf of such Affected Party additional amounts sufficient to compensate such Affected Party for such Additional Costs together with interest thereon from the date demanded until payment in full thereof at the applicable Base Rate. Each Affected Party agrees that, as promptly as practicable after it becomes aware of any circumstance referred to above that would result in any such Additional Costs, it shall, to the extent not inconsistent with its internal policies of general application, use reasonable commercial efforts to minimize costs and expenses incurred by it and payable to it by the Borrower pursuant to this Section 2.09(b).

(c) Determination Binding. Determinations by any Affected Party for purposes of this Section 2.09 of the effect of any Regulatory Change on its costs of making, funding or maintaining any commitments hereunder or under any other Related Documents or on amounts payable to it hereunder or thereunder or of the additional amounts required to compensate such Affected Party in respect of any Additional Costs shall be set forth in a written notice to the Borrower in reasonable detail and shall be final, binding and conclusive on the Borrower (absent manifest error) for all purposes.

(d) Inability to Determine Adjusted SMIR; Illegality. (i) Subject to Section 2.11, if:

(1) the Administrative Agent determines (which determination shall be conclusive absent manifest error) at any time that adequate and reasonable means do not exist for ascertaining the applicable Adjusted SMIR or SMIR; or

(2) the Administrative Agent is advised by the Requisite Lenders that, at any time, Adjusted SMIR will not adequately and fairly reflect the cost to such Requisite Lenders of making or maintaining their Commitments (or its Commitment) included in such Borrowing Request;

the Administrative Agent shall forthwith give notice thereof to the Borrower and the Managing Agents, whereupon, until the Administrative Agent notifies the Borrower that the circumstances giving rise to such notice no longer exist, (A) any request for the conversion of any Advance (or Portion of Advances) to, or continuation of any Advance (or Portion of Advances) as, an Advance (or Portion of Advances) bearing interest at the Adjusted SMIR (including any such conversion or continuation arising from the repurchase provisions of Section 2.04(b) hereof), (B) any Advance (or Portion of Advances) bearing interest at the Adjusted SMIR that is requested to be continued (including any such continuation arising from the repurchase provisions of Section 2.04(b) hereof) and (C) any request for an Advance (or Portion of Advances) that is bearing interest at the Adjusted SMIR shall instead be deemed to be a notice or a Borrowing Request, as applicable, for any Advance (or Portion of Advances) bearing interest at the Base Rate; provided that if the circumstances giving rise to such notice affect only one type of Advance (or Portion of Advances), then all other types of Advance (or Portion of Advances) shall be permitted. Furthermore, if any Advance (or Portion of Advances) is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 2.09 with respect to the Adjusted SMIR, then until (x) the Administrative Agent notifies the Borrower and the Managing Agents that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new notice in accordance with the terms of Section 2.03 or a new Borrowing Request in accordance with the terms of Section 2.03, any Advance (or Portion of Advances) shall on the last day of the Interest Period applicable to such Advance (or Portion of Advances), be converted by the Administrative Agent to, and shall constitute an Advance (or Portion of Advances) bearing interest at the Base Rate.

(ii) Illegality. If at any time any Managing Agent shall have determined that the making, maintenance or funding of any Advance (or Portion of Advances) bearing interest at Adjusted SMIR or SMIR has been made impracticable or unlawful, by compliance by such Managing Agent in good faith with any applicable law or any interpretation or application thereof by any Governmental Authority or with any request or directive of any such Governmental Authority (whether or not having the force of applicable law), then the Administrative Agent shall have the rights specified in clause (iii).

(iii) Administrative Agent's and Managing Agent's Rights. In the case of any event specified in clauses (i) above, the Administrative Agent shall promptly so notify the Managing Agents and the Borrower thereof, and in the case of an event specified in clause (i) above, such Managing Agent shall promptly so notify the Administrative Agent and endorse a certificate to such notice as to the specific circumstances of such notice, and the Administrative Agent shall promptly send copies of such notice and certificate to the other Managing Agents and the Borrower.

(1) Upon such date as shall be specified in such notice (which shall not be earlier than the date such notice is given), the obligation of (x) the Managing Agents, in the case of such notice given by the Administrative Agent, or (y) such Managing Agent, in the case of such notice given by such Managing Agent, to allow the Borrower to select, convert to or renew any Advance (or Portion of Advances) bearing interest at Adjusted SMIR shall be suspended (to the extent of the affected Advance (or Portion of Advances) bearing interest at Adjusted SMIR or the applicable Interest Periods) until the Administrative Agent shall have later notified the Borrower, or such Managing Agent shall have later notified the Administrative Agent, of the Administrative Agent's or such Managing Agent's, as the case may be, determination that the circumstances giving rise to such previous determination no longer exist.

(2) If at any time the Administrative Agent makes a determination under clause (d), (x) if the Borrower has delivered a Borrowing Request for an affected Advance (or Portion of Advances) bearing interest at Adjusted SMIR, and such Advance (or Portion of Advances) bearing interest at Adjusted SMIR has not yet been made, such Borrowing Notice be deemed to request for an Advance (or Portion of Advances) at the Base Rate otherwise available with respect to such Advance (or Portion of Advances) and (y) any outstanding affected Advance (or Portion of Advances) shall be deemed to have been converted into an Advance (or Portion of Advances) accruing interest at the Base Rate immediately or, in the case of Advance (or Portion of Advances) accruing interest at Adjusted SMIR, at the end of the applicable Interest Period.

(3) If any Managing Agent notifies the Administrative Agent of a determination under clause (e), the Borrower shall, on the date specified in such notice either convert such Advance (or Portion of Advances) to bear interest at the Base Rate otherwise available with respect to such Advance (or Portion of Advances) or prepay such Advance (or Portion of Advances). Absent due notice from the Borrower of conversion or prepayment, such Advance (or Portion of Advances) shall automatically be converted to Advance (or Portion of Advances) bearing interest at the Base Rate otherwise available with respect to such Advance (or Portion of Advances) upon such specified date.

(e) Replacement of the Lenders. Upon any Lender's making a claim for compensation under Section 2.09, the Borrowers may replace such Lender in accordance with Section 13.02.

(f) This Section 2.09 shall not apply to taxes.

Section 2.10. Breakage Costs. (a) [Reserved].

(b) The Borrower shall pay the Managing Agents for the account of the Conduit Lenders, as applicable, on demand, such amount or amounts as shall compensate the Conduit Lenders for any loss, cost or expense incurred by the Conduit Lenders (as reasonably determined by its Managing Agent) as a result of any reduction of any Advance other than on the maturity date of the Commercial Paper (or other financing source) funding such Advance, such compensation to be (i) limited to an amount equal to any loss or expense suffered by the Conduit Lenders (other than any loss of margin above the applicable cost of funds) during the period from the date of receipt of such repayment to (but excluding) the maturity date of such Commercial Paper (or other financing source) and (ii) net of the income, if any, received by the recipient of such reductions from investing the proceeds of such reductions of such Advance. The determination by any Managing Agent of the amount of any such loss or expense shall be set forth in a written notice to the Borrower in reasonable detail and shall be conclusive, absent manifest error.

Section 2.11. Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Related Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then if a Benchmark Replacement is determined in accordance with the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder

and under any Related Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Related Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Requisite Lenders.

(b) Benchmark Replacement Conforming Changes. Notwithstanding anything to the contrary herein, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time in consultation with the Borrower and, notwithstanding anything to the contrary herein or in any other Related Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Related Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.11, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Related Document, except, in each case, as expressly required pursuant to this Section 2.11.

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

(e) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any Borrowing Request for, conversion to or continuation of Advances (or any Portion of Advances) to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any Borrowing Request into a request for an Advance of or conversion to an Advance (or any Portion of Advances) bearing interest at the Base Rate. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Base Rate

based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate. Furthermore, if any Advance (or any Portion of Advances) is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to the Adjusted SMIR, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.11, any Advance (or any Portion of Advances) shall on the last day of the Interest Period applicable to such Advance (or any Portion of Advances) (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, an Advance (or any Portion of Advances) bearing interest at the Base Rate.

Section 2.12. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Facility Fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender.

(b) The Commitment and aggregate Advances of such Defaulting Lender shall not be included in determining whether the Requisite Lenders have taken or may take any action under the Funding Agreement or any of the other Related Documents (including any consent to any amendment, waiver or other modification pursuant to Section 12.07 of the Funding Agreement); provided, that, except as otherwise provided in Section 12.07 of the Funding Agreement, this clause (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender directly affected thereby (if such Lender is directly affected thereby).

(c) In the event that the Administrative Agent, the Borrower and the Servicer each agrees in writing that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then on such date such Lender shall purchase at par such portion of the Outstanding Principal Amount from the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold a portion of the Outstanding Principal Amount ratably in accordance with the Commitment of such Lender; provided, that no adjustments shall be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender, and provided, further, that except to the extent otherwise agreed by the affected parties, no change hereunder from Defaulting Lender to Lender that is not a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

ARTICLE III.

CONDITIONS PRECEDENT

Section 3.01. Conditions to Effectiveness of Agreement. This Agreement shall not be effective until the date on which each of the following conditions have been satisfied, in the sole discretion of, or waived in writing by, the Managing Agents and the Administrative Agent (such date, the "Effective Date"):

(a) Funding Agreement; Other Related Documents. This Agreement, the Fee Letter and the other Related Documents shall have been duly executed by, and delivered to, the parties thereto and the Managing Agents and the Administrative Agent shall have received such other documents, instruments, agreements and legal opinions as each Managing Agent and the Administrative Agent shall request in connection with the transactions contemplated by this Agreement, each in form and substance satisfactory to each Managing Agent and the Administrative Agent.

(b) Governmental Approvals. The Managing Agents and the Administrative Agent shall have received (i) satisfactory evidence that the Borrower, the Servicer and the Originators have obtained all required consents and approvals of all Persons, including all requisite Governmental Authorities, to the execution, delivery and performance of this Agreement and the other Related Documents and the consummation of the transactions contemplated hereby or thereby or (ii) an Officer's Certificate from each of the Borrower and the Servicer in form and substance satisfactory to the Managing Agents and the Administrative Agent affirming that no such consents or approvals are required, except to the extent the failure to obtain such consents and approvals could not reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Laws. The Borrower and the Transaction Parties shall be in compliance with all applicable foreign, federal, state, provincial and local laws and regulations, including those specifically referenced in Section 5.01(a), except to the extent noncompliance could not reasonably be expected to have a Material Adverse Effect.

(d) Payment of Fees. The Borrower shall have paid all fees required to be paid by it on the Effective Date, including all fees required hereunder and under the Fee Letter, and shall have reimbursed the Administrative Agent and each Lender Group for all reasonable fees, costs and expenses of closing the transactions contemplated hereunder and under the other Related Documents, including the Administrative Agent's and such Lender Group's legal and audit expenses, and other document preparation costs.

(e) Representations and Warranties. Each representation and warranty by the Borrower and each Transaction Party contained herein and in each other Related Document shall be true and correct as of the Effective Date, except to the extent that such representation or warranty expressly relates solely to an earlier date.

(f) No Termination Event. No Incipient Termination Event or Termination Event hereunder or any "Event of Default" or "Default" (each as defined in the Credit Agreement) shall have occurred and be continuing or would result after giving effect to any of the transactions contemplated on the Closing Date.

(g) Audit. The Administrative Agent shall have completed a prefunding audit of the Receivables as of the Closing Date, the scope and results of which are satisfactory to the Administrative Agent and each Managing Agent in its sole discretion.

(h) Material Adverse Change. There will have been (i) no material adverse change individually or in the aggregate, (x) in the business, the industry in which the Parent or any Originator operates, the financial or other condition of the Parent, the Servicer, or any Originator, or (y) in the Transferred Receivables or Related Property, taken as a whole, (ii) no litigation commenced which is reasonably likely to be adversely determined, and if so determined, would have a Material Adverse Effect on the Parent, the Borrower, the Servicer, the Originators, their business, or which would challenge the transactions contemplated under this Agreement, the Sale Agreement and the other Related Documents, and (iii) since the Parent's last audited financial statements and except as otherwise disclosed in the financial projections provided to the Administrative Agent on or prior to the Effective Date, no material increase in the liabilities, liquidated or contingent, of the Parent, the Servicer or the Originators, or material decrease in the assets of the Parent, the Servicer or the Originators.

(i) [Reserved].

(j) Due Diligence. Representatives of the Managing Agents shall have successfully completed a due diligence call with the Parent.

(k) Agreed Upon Procedures. A third-party, agreed upon procedures audit conducted in accordance with the Agreed-Upon Procedures has been successfully completed.

(l) Borrowing Base Certificate and Pro Forma Reports. The Administrative Agent and each Managing Agent shall have received a Borrowing Base Certificate and any pro forma report the Administrative Agent and each Managing Agent shall request, each of which shall be current as of the Closing Date.

Section 3.02. Conditions Precedent to All Advances. No Lender shall be obligated to make any Advances hereunder (including the initial Advances but excluding Advances made pursuant to Section 2.06(c)) on any date if, as of the date thereof:

(a) any representation or warranty of the Borrower, the Servicer or any Originator contained herein or in any of the other Related Documents shall be untrue or incorrect in any material respect (or in the case of any representation and warranty qualified by materiality, Material Adverse Effect or other similar qualifier, in all respects) as of such date, either before or after giving effect to the Advances to be made on such date and to the application of the proceeds therefrom, except to the extent that such representation or warranty expressly relates to an earlier date and except for changes therein expressly permitted by this Agreement;

(b) any event shall have occurred, or would result from the making of such Advances or from the application of the proceeds therefrom, that constitutes an Incipient Termination Event, a Termination Event, an Incipient Servicer Termination Event or an Event of Servicer Termination;

(c) the Facility Termination Date shall have occurred;

(d) either before or after giving effect to such Advance and to the application of the proceeds therefrom, a Funding Excess would exist;

(e) any Originator, the Borrower or the Servicer shall fail to have taken such other action, including delivery of approvals, consents, opinions, documents and instruments to the Managing Agents and the Administrative Agent, as any Managing Agent or the Administrative Agent may reasonably request; or

(f) on or prior to such date, the Borrower or the Servicer shall have failed to deliver any Monthly Report, Weekly Report, Daily Report or Borrowing Base Certificate required to be delivered in accordance with Section 5.02 or the Sale Agreement and such failure shall be continuing.

The delivery by the Borrower of a Borrowing Request and the acceptance by the Borrower of the funds from the related Borrowing on any Advance Date shall be deemed to constitute, as of any such Advance Date, a representation and warranty by the Borrower that the conditions in this Section 3.02 have been satisfied.

Section 3.03. Conditions Precedent to All Releases. Each Release hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) after giving effect to such Release, the Servicer shall be holding in trust for the benefit of the Secured Parties an amount of Collections sufficient to pay the sum of (x) all accrued and unpaid Servicing Fees, Yield, Fees and any amounts due under Section 2.10, in each case, through the date of such Release, (y) the amount of any Funding Excess and (z) the

amount of all other accrued and unpaid Borrower Obligations (including the expenses of the Lenders reimbursable under Section 12.04) through the date of such Release;

(b) the representations and warranties of the Borrower and the Servicer contained herein or in any of the other Related Documents are true and correct in all material respect (or in the case of any representation and warranty qualified by materiality, Material Adverse Effect or other similar qualifier, in all respects) as of the date of such Release, except to the extent that such representation or warranty expressly relates to an earlier date and except for changes therein expressly permitted by this Agreement;

(c) no event has occurred, or would result from such Release, that constitutes an Incipient Termination Event, a Termination Event, an Incipient Servicer Termination Event or an Event of Servicer Termination;

(d) the Facility Termination Date has not occurred; and

(e) no Funding Excess exists or would exist after giving effect to such Release.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Borrower. To induce each Lender to make Advances from time to time and the Administrative Agent and each Managing Agent to take any action required to be performed by it hereunder, the Borrower makes the following representations and warranties to each Lender, each Managing Agent and the Administrative Agent on the Effective Date, on each Settlement Date, on the date of each Release and on each Advance Date, each and all of which shall survive the execution and delivery of this Agreement.

(a) Existence; Compliance with Law. The Borrower (i) is a corporation duly formed, validly existing and in good standing under the laws of its jurisdiction of incorporation, is a "registered organization" as defined in the UCC of such jurisdiction and is not organized under the laws of any other jurisdiction; (ii) is duly qualified to do business and is in good standing in every jurisdiction in which the nature of its business requires it to be so qualified (except where the failure to be so qualified and in good standing would not have a Material Adverse Effect); (iii) has the requisite power and authority and the legal right to own, pledge, mortgage, operate and convey all of its properties, to lease the property it operates under lease, and to conduct its business as now or proposed to be conducted, and to execute and deliver this Agreement and the Related Documents to which it is a party and to perform the transactions contemplated hereby and thereby; (iv) has all licenses, permits, consents or approvals from or by, and has made all filings with, and has given all notices to, all Governmental Authorities having jurisdiction, to the extent required for such ownership, operation and conduct (except where the failure to have such licenses, permits, consents or approvals or make such filings or give such notices would not have a Material Adverse Effect); (v) is in compliance with its certificate of incorporation and bylaws and other organizational documents; and (vi) is in compliance with all applicable provisions of law (except where the failure to be in compliance would not have a Material Adverse Effect).

(b) Executive Offices; Collateral Locations; Corporate or Other Names; FEIN. The state of organization and the organization identification number of the Borrower and current location of the Borrower's executive office, principal place of business, other offices, the premises within which any Borrower Collateral is stored or located are set forth in Schedule

4.01(b) and except as set forth in Schedule 4.01(b), such locations have not changed during the preceding twelve months. In addition, Schedule 4.01(b) lists the federal employer identification number of the Borrower.

(c) Power, Authorization, Enforceable Obligations. The execution, delivery and performance by the Borrower of this Agreement and the other Related Documents to which it is a party, and the creation and perfection of all Liens and ownership interests provided for herein and therein: (i) are within the Borrower's corporate power; (ii) have been duly authorized by all necessary corporate or other actions; (iii) do not contravene any provision of the Borrower's certificate of incorporation or bylaws; (iv) do not violate any law or regulation, or any order or decree of any court or Governmental Authority in any material respect; (v) do not contravene, or cause Borrower or any Originator to be in default under, any contractual restriction contained in any indenture, loan or credit agreement, lease, mortgage, security agreement, bond, note or other agreement or instrument binding on or affecting Borrower or such Originator or its property; (vi) do not result in the creation or imposition of any Adverse Claim upon any of the property of the Borrower or any Originator; and (vii) except where the failure to obtain or make such consent or approval could not reasonably be expected to have a Material Adverse Effect, do not require the consent or approval of any Governmental Authority or any other Person, except those which have been duly obtained, made or complied with prior to the Effective Date as provided in Section 3.01(b). The exercise by each of the Borrower, the Lenders, the Managing Agents or the Administrative Agent of any of its rights and remedies under any Related Document to which it is a party do not require the consent or approval of any Governmental Authority or any other Person, except those which will have been duly obtained, made or complied with prior to the Closing Date as provided in Section 3.01(b). Each of the Related Documents to which the Borrower is a party shall have been duly executed and delivered by the Borrower and each such Related Document shall then constitute a legal, valid and binding obligation of the Borrower enforceable against it in accordance with its terms, subject, as to enforceability, to (A) any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to or affecting the enforceability of creditors' rights generally and (B) general equitable principles, whether applied in a proceeding at law or in equity.

(d) No Litigation. No Litigation is now pending or, to the knowledge of the Borrower, threatened against the Borrower before any Governmental Authority which (i) challenges the Borrower's right, power or competence to enter into or perform any of its obligations under the Related Documents to which it is a party, or the validity or enforceability of any Related Document or any action taken thereunder, (ii) seeks to prevent the transfer, sale, pledge or contribution of any Receivable (other than Excluded Receivables) or the consummation of any of the transactions contemplated under this Agreement or the other Related Documents, or (iii) is reasonably likely to be adversely determined and, if adversely determined, would result in a Material Adverse Effect. To the knowledge of Borrower, there does not exist a state of facts which is reasonably likely to give rise to such proceedings. Borrower is not a party to any consent decree.

(e) Solvency. After giving effect to the sale or contribution of Receivables and the Advances and Releases on such date and to the application of the proceeds therefrom, the Borrower is and will be Solvent.

(f) Material Adverse Effect. Since the date of the Borrower's organization, no Material Adverse Effect has occurred with respect to the Borrower.

(g) Ownership of Property; Liens. None of the properties and assets (including the Transferred Receivables) of the Borrower are subject to any Adverse Claims other than Permitted Encumbrances not attaching to Transferred Receivables, and there are no

facts, circumstances or conditions known to the Borrower that may result in (i) with respect to the Transferred Receivables, any Adverse Claims (including Adverse Claims arising under environmental laws) and (ii) with respect to its other properties and assets, any Adverse Claims (including Adverse Claims arising under environmental laws) other than Permitted Encumbrances. The Borrower has received all assignments, bills of sale and other documents, and has duly effected all recordings, filings and other actions necessary to establish, protect and perfect the Borrower's right, title and interest in and to the Transferred Receivables and its other properties and assets. No effective financing statement or other similar instrument are of record in any filing office listing the Borrower or any Originator as debtor and covering any of the Transferred Receivables or the other Borrower Collateral, and the Liens granted to the Administrative Agent pursuant to Section 7.01 are and will be at all times fully perfected first priority Liens in and to the Borrower Collateral.

(h) Ventures, Subsidiaries and Affiliates; Outstanding Stock and Indebtedness. The Borrower has no Subsidiaries, and is not engaged in any joint venture or partnership with any other Person or has any equity interest in any other Person. The Borrower has no Investments in any Person. The Parent is the only shareholder of the Borrower. There are no outstanding rights to purchase stock, options, warrants or similar rights, agreements or plans pursuant to which the Borrower may be required to issue, sell, or purchase any Stock or other equity security. Other than as permitted pursuant to Section 5.03(i), the Borrower has no outstanding Debt.

(i) Taxes. The Borrower has filed all United States federal and all other material Tax returns and reports required to be filed, and has paid all United States federal and state income Taxes and other Taxes levied or imposed upon it or its properties, income or assets shown on such Tax returns to be due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP.

(j) Full Disclosure. No written information contained in this Agreement, any Borrowing Base Certificate or any of the other Related Documents, or any other written statement or information (other than any financial projections, other forward looking statements and information of a general economic or industry specific nature) furnished by or on behalf of the Borrower to any Lender, any Managing Agent or the Administrative Agent relating to this Agreement, the Transferred Receivables or any of the other Related Documents, taken as a whole contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, when taken as a whole, not materially misleading solely at the time furnished.

(k) ERISA. During the twelve-consecutive-month period prior to the date of the execution and delivery of this Agreement, no steps have been taken that would reasonably be expected to result in the termination of any Pension Plan of the Borrower or any ERISA Affiliate of the Borrower, and no contribution failure has occurred with respect to any Pension Plan of the Borrower or any ERISA Affiliate of the Borrower that would reasonably be expected to give rise to a Lien under section 303(k) of ERISA. No condition exists or event or transaction has occurred with respect to any Pension Plan of the Borrower or any ERISA Affiliate of the Borrower which would reasonably be expected to result in the Borrower incurring any material liability, fine or penalty.

(l) Brokers. No broker or finder acting on behalf of the Borrower was employed or utilized in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby and the Borrower has no obligation to any Person in respect of any finder's or brokerage fees in connection therewith.

(m) Margin Regulations. The Borrower is not engaged in the business of extending credit for the purpose of “purchasing” or “carrying” any “margin security,” as such terms are defined in Regulation U of the Federal Reserve Board as now and from time to time hereafter in effect (such securities being referred to herein as “Margin Stock”). The Borrower owns no Margin Stock, and no portion of the proceeds of the Advances made hereunder will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any Debt that was originally incurred to purchase or carry any Margin Stock or for any other purpose that might cause any portion of such proceeds to be considered a “purpose credit” within the meaning of Regulations T, U or X of the Federal Reserve Board. The Borrower will not take or permit to be taken any action that might cause any Related Document to violate any regulation of the Federal Reserve Board.

(n) Nonapplicability of Bulk Sales Laws. No transaction contemplated by this Agreement or any of the Related Documents requires compliance with any bulk sales act or similar law.

(o) Government Regulation. The Borrower (i) is not a “covered fund” under the Volcker Rule and (ii) is not, and after giving effect to the transactions contemplated hereby, will not be required to register as, an “investment company” within the meaning of the Investment Company Act or any successor statute. In determining that the Borrower is not a covered fund, the Borrower is entitled to rely on the exemption from the definition of “investment company” set forth in Section 3(c)(5) of the Investment Company Act. The making of Advances by the Lenders hereunder, the application of the proceeds thereof and the consummation of the transactions contemplated by this Agreement and the other Related Documents will not violate any provision of any such statute or any rule, regulation or order issued by the Securities and Exchange Commission.

(p) Nonconsolidation. The Borrower is operated in such a manner that the separate corporate existence of the Borrower, on the one hand, and any member of the Parent Group, on the other hand, would not be disregarded in the event of the bankruptcy or insolvency of any member of the Parent Group and, without limiting the generality of the foregoing:

(i) the Borrower is a limited purpose corporation whose activities are restricted in its certificate of incorporation to those activities expressly permitted hereunder and under the other Related Documents and the Borrower has not engaged, and does not presently engage, in any business or other activity other than those activities expressly permitted hereunder and under the other Related Documents, nor has the Borrower entered into any agreement other than this Agreement, the other Related Documents to which it is a party and, with the prior written consent of the Administrative Agent and the Requisite Lenders, any other agreement necessary to carry out more effectively the provisions and purposes hereof or thereof;

(ii) the Borrower has duly appointed a board of directors and its business is managed solely by its own officers and directors, each of whom when acting for the Borrower shall be acting solely in his or her capacity as an officer or director of the Borrower and not as an officer, director, employee or agent of any member of the Parent Group;

(iii) (A) Borrower shall compensate all consultants and agents directly or indirectly through reimbursement of the Parent, from its own funds, for services provided to the Borrower by such consultants and agents and, to the extent any consultant or agent of the Borrower is also an employee, consultant or agent of such member of the Parent Group on a basis which reflects the respective services rendered to

the Borrower and such member of the Parent Group and in accordance with the terms of the Administrative Services Agreement and (B) Borrower shall not have any employees;

(iv) Borrower shall pay its own incidental administrative costs and expenses not covered under the terms of the Administrative Services Agreement from its own funds, and shall allocate all other shared overhead expenses (including telephone and other utility charges, the services of shared consultants and agents, and reasonable legal and auditing expenses) which are not reflected in the Servicing Fee, and other items of cost and expense shared between the Borrower and the Parent, pursuant to the terms of the Administrative Services Agreement, on the basis of actual use to the extent practicable and, to the extent such allocation is not practicable, on a basis reasonably related to actual use or the value of services rendered; except as otherwise expressly permitted hereunder, under the other Related Documents and under the Borrower's organizational documents, no member of the Parent Group (A) pays the Borrower's expenses, (B) guarantees the Borrower's obligations, or (C) advances funds to the Borrower for the payment of expenses or otherwise;

(v) other than the purchase and acceptance through capital contribution of Transferred Receivables pursuant to the Sale Agreement, the acceptance of Subordinated Loans pursuant to the Sale Agreement, the payment of distributions and the return of capital to the Parent, the payment of Servicing Fees to the Servicer under the Sale Agreement and the transactions contemplated under the Administrative Services Agreement, the Borrower engages and has engaged in no intercorporate transactions with any member of the Parent Group;

(vi) the Borrower maintains records and books of account separate from that of each member of the Parent Group, holds regular meetings of its board of directors and otherwise observes corporate formalities;

(vii) (A) the financial statements (other than consolidated financial statements) and books and records of the Borrower and each member of the Parent Group reflect the separate existence of the Borrower, (B) the consolidated financial statements of the Parent Group shall contain disclosure to the effect that the Borrower's assets are not available to the creditors of any member of the Parent Group and (C) the Borrower shall prepare and maintain its own separate financial statements and shall provide copies of such financial statements to any Lender upon reasonable request by such Lender;

(viii) (A) the Borrower maintains its assets separately from the assets of each member of the Parent Group (including through the maintenance of separate bank accounts and except for any Records to the extent necessary to assist the Servicer in connection with the servicing of the Transferred Receivables), (B) except as contemplated by the Administrative Services Agreement, the Borrower's funds (including all money, checks and other cash proceeds) and assets, and records relating thereto, have not been and are not commingled with those of any member of the Parent Group and (C) the separate creditors of the Borrower will be entitled, on the winding-up of the Borrower, to be satisfied out of the Borrower's assets prior to any value in the Borrower becoming available to the Parent;

(ix) all business correspondence and other communications of the Borrower are conducted in the Borrower's own name, on its own stationery and through a separately-listed telephone number;

(x) the Borrower has and shall maintain separate office space from the offices of any member of the Parent Group and identify such office by a sign in its own name;

(xi) the Borrower shall respond to any inquiries with respect to ownership of a Transferred Receivable by stating that it is the owner of such Transferred Receivable, and that such Transferred Receivable is pledged to the Administrative Agent for the benefit of the Lenders;

(xii) the Borrower does not act as agent for any member of the Parent Group, but instead presents itself to the public as a legal entity separate from each such member and independently engaged in the business of purchasing and financing Receivables;

(xiii) the Borrower maintains at least two independent directors (each, an “Independent Director”), each of whom: (i) shall not have been at the time of his or her appointment or at any time during the preceding five years, and shall not be as long as he or she is a director of the Borrower, (A) a director, officer, employee, associate, partner, shareholder, member, manager or affiliate of any of the following entities (collectively, the “Independent Parties”): TD SYNEX Corporation, any Originator, or any of their respective subsidiaries or affiliates (other than the Borrower), (B) a supplier to any of the Independent Parties, (C) an entity controlling or under common control with any partner, shareholder, member, manager, affiliate or supplier of any of the Independent Parties, or (D) a member of the immediate family of any director, officer, employee, associate, partner, shareholder, member, manager, affiliate or supplier of any of the Independent Parties; (ii) has prior experience as an independent director for a corporation whose charter documents required the unanimous consent of all independent directors thereof before such corporation could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal, state or provincial law relating to bankruptcy and (iii) has at least three (3) years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities. The Borrower shall give the Lenders notice, in writing, not less than ten (10) days prior to the effective date of any decision to appoint a new director of the Borrower as an “Independent Director”, and shall certify to the Lenders that the appointment of such new director satisfies the criteria set forth in the definition herein of “Independent Director”;

(xiv) the bylaws or certificate of incorporation of the Borrower require the affirmative vote of each independent director before a voluntary petition under Section 301 of the Bankruptcy Code may be filed by the Borrower;

(xv) Borrower shall maintain (1) correct and complete books and records of account and (2) minutes of the meetings and other proceedings of its shareholders and board of directors;

(xvi) Borrower shall not hold out credit as being available to satisfy obligations of others;

(xvii) Borrower shall not acquire obligations or Stock of any member of the Parent Group;

(xviii) Borrower shall correct any known misunderstanding regarding its separate identity;

(xix) Borrower shall maintain adequate capital;

(xx) Borrower shall comply with each of the assumptions set forth in that certain legal opinion delivered by Pillsbury Winthrop Shaw Pittman LLP with respect to true sale and non-substantive consolidation matters; and

(xxi) Parent and Borrower shall strictly observe corporate formalities in making and documenting any capital contributions (including of Contributed Receivables) from Parent to Borrower.

(q) Accounts. Schedule 4.01(q) lists all banks and other financial institutions at which the Borrower maintains deposit or other bank accounts, including any Account and each Originator Collection Account, and such schedule correctly identifies the name, address and telephone number of each depository, the name in which the account is held, a description of the purpose of the account, and the complete account number therefor. Each Account constitutes a deposit account within the meaning of the applicable UCC. The Borrower (or the Servicer on its behalf) and each Originator, if applicable, has delivered to the Administrative Agent a fully executed agreement with respect to each Account pursuant to which each applicable Bank has agreed to comply with all instructions originated by the Administrative Agent directing the disposition of funds in such Account, without further consent by the Borrower, the Servicer or any Originator. Other than the Originator Collection Accounts, no Account is in the name of any Person other than the Borrower or the Administrative Agent, and the Borrower has not consented to any Bank following the instructions of any Person other than the Administrative Agent. No Originator Collection Account is in the name of any Person other than the relevant Originator, and no Originator has consented to any Bank following the instructions of any Person other than the Administrative Agent. Accordingly, the Administrative Agent has a first priority perfected security interest in each Account, and all funds on deposit therein.

(r) Transferred Receivables.

(i) Transfers. Each Transferred Receivable was purchased by or contributed to the Borrower on the relevant Transfer Date pursuant to the Sale Agreement.

(ii) Eligibility. Each Transferred Receivable designated as an Eligible Receivable in each Borrowing Base Certificate, Monthly Report, Weekly Report or Daily Report, as the case may be, constitutes an Eligible Receivable as of the date specified in such Borrowing Base Certificate, Monthly Report, Weekly Report or Daily Report, as applicable.

(iii) No Material Adverse Effect. The Borrower has no actual knowledge of any fact (including any defaults by the Obligor thereunder on any other Receivable) that would cause it or should have caused it to expect that any payments on any Transferred Receivable designated as an Eligible Receivable in any Borrowing Base Certificate, Monthly Report, Weekly Report or Daily Report, as applicable, will not be paid in full when due or that has caused it to expect any material adverse effect on any such Transferred Receivable.

(iv) Nonavoidability of Transfers. The Borrower shall (A) have received each Contributed Receivable as a contribution to the capital of the Borrower by

the Parent as a stockholder of the Borrower and (B) (1) have purchased each Sold Receivable from the applicable Originator for cash consideration or with the proceeds of a Subordinated Loan and (2) have accepted assignment of any Eligible Receivables transferred pursuant to clause (b) of Section 4.04 of the Sale Agreement, in each case in an amount that constitutes fair consideration and reasonably equivalent value therefor. No Sale has been made for or on account of an antecedent debt owed by any Originator to the Borrower and no such Sale is or may be avoidable or subject to avoidance under any bankruptcy laws, rules or regulations.

(v) Specified Filings. None of the Transferred Receivables have been sold, transferred, assigned or otherwise pledged pursuant to any Specified Filing Document.

(s) Assignment of Interest in Related Documents. The Borrower's interests in, to and under the Sale Agreement and each Originator Support Agreement, if any, have been assigned by the Borrower to the Administrative Agent (for the benefit of itself and the Lenders) as security for the Borrower Obligations.

(t) Notices to Obligor. Each Obligor of Transferred Receivables has been directed to remit all payments with respect to such Receivables for deposit in the relevant Lockbox, the relevant Collection Account or the relevant Concentration Account.

(u) Representations and Warranties in Other Related Documents. Each of the representations and warranties of the Borrower contained in the Related Documents (other than this Agreement) is true and correct in all respects and the Borrower hereby makes each such representation and warranty to, and for the benefit of, the Lenders, the Managing Agents and the Administrative Agent as if the same were set forth in full herein.

(v) Supplementary Representations.

(i) Receivables; Accounts. (A) Each Transferred Receivable constitutes an "account" or a "general intangible" within the meaning of the applicable UCC, and (B) each Account constitutes a "deposit account" within the meaning of the applicable UCC.

(ii) Creation of Security Interest. Other than the Originator Collection Accounts, the Borrower owns and has good and marketable title to the Transferred Receivables, Accounts and Lockboxes, free and clear of any Adverse Claim. This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Transferred Receivables, Accounts and Lockboxes in favor of the Administrative Agent (on behalf of the Secured Parties), which security interest is prior to all other Adverse Claims and is enforceable as such against any creditors of and purchasers from the Borrower.

(iii) Perfection. (A) The Borrower has caused the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law and entered into Account Agreements in order to perfect the sale of the Transferred Receivables from the Originators to the Borrower pursuant to the Sale Agreement and the security interest granted by the Borrower to the Administrative Agent (on behalf of the Secured Parties) in the Transferred Receivables hereunder; and (B) with respect to each Account, the Borrower has delivered to the Administrative Agent (on behalf of itself and the Lenders), a fully executed Account Agreement with respect to such Account pursuant to which the applicable Bank has agreed, following the occurrence and continuation of a Termination Event, to comply with all instructions

given by the Administrative Agent with respect to all funds on deposit in such Account, without further consent by the Borrower, the Servicer or any Originator.

(iv) Priority. (A) Other than the transfer of the Transferred Receivables by the Originators to the Borrower pursuant to the Sale Agreement, the grant of security interest by the relevant Originators to the Borrower in the Originator Collection Accounts and the grant of security interest by the Borrower to the Administrative Agent (on behalf of the Secured Parties) in the Transferred Receivables, the Accounts and the Lockboxes hereunder, none of the Borrower nor any Originator has pledged, assigned, sold, conveyed, or otherwise granted a security interest in any of the Transferred Receivables, the Accounts and the Lockboxes to any other Person. (B) Neither the Borrower nor any Originator has authorized, or is aware of, any filing of any financing statement against the Borrower or any Originator that include a description of collateral covering the Transferred Receivables or all other collateral pledged to the Administrative Agent (on behalf of the Secured Parties) pursuant to the Related Documents, other than any financing statement filed pursuant to the Sale Agreement and this Agreement or financing statements that have been validly terminated prior to the date hereof. (C) The Borrower is not aware of any judgment, ERISA or tax lien filings against either the Borrower or any Originator. (D) Other than the Originator Collection Accounts, none of the Accounts or Lockboxes is in the name of any Person other than the Borrower or the Administrative Agent. None of the Originator Collection Accounts is in the name of any Person other than the relevant Originator. None of the Borrower, the Servicer or any Originator has consented to any Bank complying with instructions of any Person other than the Administrative Agent.

(v) Collections. If made in accordance with the terms of this Agreement, each remittance of Collections by the Borrower hereunder will have been (i) in payment of a debt incurred by the Borrower in the ordinary course of business or financial affairs of the Borrower and (ii) made in the ordinary course of business or financial affairs of the Borrower.

(vi) Survival of Supplemental Representations. Notwithstanding any other provision of this Agreement or any other Related Document, the representations contained in this Section 4.01(v) and Section 5.01(g) shall be continuing, and remain in full force and effect until the Termination Date.

(w) Anti-Corruption Laws, Anti-Terrorism Laws and Sanctions. Policies and procedures have been implemented and maintained by or on behalf of the Borrower that are designed to achieve compliance by the Borrower and its directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions, giving due regard to the nature of the Borrower's business and activities, and the Borrower and, to the knowledge of the Borrower, its officers, employees, directors and agents acting in any capacity in connection with or directly benefitting from the credit facility established hereby, are in compliance with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions, in each case in all material respects. (a) None of the Borrower or, to the knowledge of the Borrower, any of its directors, officers, employees, or agents that will act in any capacity in connection with or directly benefit from the credit facility established hereby, is a Sanctioned Person, and (b) the Borrower is not organized or resident in a Sanctioned Country. The Borrower represents and covenants that it will not, directly or indirectly, use the proceeds of the credit facility established hereby nor use any Advance, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, or in any country or territory that, at the time of such funding, is the subject of Sanctions (and in such case would result in a violation of Sanctions), or in any manner that will result in a violation by any Person (including

any Person participating in this credit facility) of Anti-Corruption Laws, Anti-Terrorism Laws or applicable Sanctions.

(x) LCR. The Borrower represents, warrants and agrees that it has not, does not and will not during the term of this Agreement (i) issue any obligations that (A) constitute asset-backed commercial paper, or (B) are securities required to be registered under the Securities Act of 1933 or that may be offered for sale under Rule 144A of the Securities and Exchange Commission thereunder, or (ii) issue any other debt obligations or equity interests other than (A) debt obligations substantially similar to the obligations of the Borrower under this Agreement that are (x) issued to other banks or asset-backed commercial paper conduits in privately negotiated transactions, and (y) subject to transfer restrictions substantially similar to the transfer restrictions set forth in Section 12.02, (B) the Subordinated Notes and (C) equity interests issued to TD SYNEX Corporation under the terms of the organizational documents of the Borrower. The Borrower further represents and warrants that its assets and liabilities are consolidated with the assets and liabilities of TD SYNEX Corporation for purposes of GAAP.

(y) Beneficial Ownership Rule. The Borrower is an entity that is organized under the laws of the United States or of any State and at least 51% of whose common stock or analogous equity interest is owned by a listed entity and is excluded on that basis from the definition of “Legal Entity Customer” as defined in the Beneficial Ownership Rule.

Section 4.02. Representations and Warranties of the Servicer. To induce each Lender to enter into this Agreement and to make Advances from time to time and the Administrative Agent and each Managing Agent to take any action required to be performed by it hereunder, on the Effective Date, on each Settlement Date, on the date of each Release and on each Advance Date, (i) the Servicer represents and warrants that each of the representations and warranties of the Servicer contained in the Related Documents (other than this Agreement) is true and correct in all respects and the Servicer hereby makes each such representation and warranty to, and for the benefit of, the Lenders, the Managing Agents and the Administrative Agent as if the same were set forth in full herein and (ii) the Servicer represent and warrants that each of the Servicer, the Parent, each Originator and any Affiliate thereof has filed all United States federal and all other material Tax returns and reports required to be filed, and has paid all United States federal and state income Taxes and other Taxes shown on such Tax returns to be due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP.

ARTICLE V.

GENERAL COVENANTS OF THE BORROWER AND THE SERVICER

Section 5.01. Affirmative Covenants of the Borrower. The Borrower covenants and agrees that from and after the Effective Date and until the Termination Date:

(a) Compliance with Agreements and Applicable Laws. The Borrower shall (i) perform each of its obligations under this Agreement and the other Related Documents and (ii) comply with all federal, state, provincial and local laws and regulations applicable to it and the Transferred Receivables, including those relating to truth in lending, retail installment sales, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices, privacy, licensing, taxation, ERISA and labor matters and environmental laws and environmental permits except, solely with respect to this clause (ii), where the failure to so comply could not reasonably be expected to have a Material Adverse Effect.

(b) Maintenance of Existence and Conduct of Business. The Borrower shall: (i) do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect, its rights and franchises; (ii) continue to conduct its business substantially as now conducted or as otherwise permitted hereunder and in accordance with (1) Section 4.01(p) and (2) the assumptions set forth in each opinion letter of Pillsbury Winthrop Shaw Pittman LLP, or other outside counsel to the Borrower from time to time delivered pursuant to Section 3.03(d) of the Sale Agreement with respect to issues of substantive consolidation and true sale and absolute transfer; (iii) at all times maintain, preserve and protect all of its assets and properties used or useful in the conduct of its business, including all licenses, permits, charters and registrations, and keep the same in good repair, working order and condition in all material respects (taking into consideration ordinary wear and tear) and from time to time make, or cause to be made, all necessary or appropriate repairs, replacements and improvements thereto consistent with industry practices; and (iv) transact business only in the name of SIT Funding Corporation or such trade names as are set forth in Schedule 5.01(b).

(c) Deposit of Collections. The Borrower shall deposit or cause to be deposited promptly into the relevant Lockbox, the relevant Collection Account or the relevant Concentration Account, and in any event no later than the first Business Day after receipt thereof, all Collections it may receive with respect to any Transferred Receivable. The Borrower shall ensure that, on a daily basis, the Servicer complies with its obligations under Section 2.08 with respect to Collections required to be held in trust by the Servicer and allocated in accordance with the priority of payments set forth in Section 2.08(c).

(d) Use of Proceeds. The Borrower shall utilize the proceeds of the Advances made hereunder solely for (i) the repayment of Advances made and the payment of any fees due hereunder, (ii) the purchase of Transferred Receivables from the Originators pursuant to the Sale Agreement, (iii) the payment of distributions to the Parent, (iv) the repayment of Subordinated Loans, and (v) the payment of administrative fees or Servicing Fees or expenses to the Servicer or routine administrative or operating expenses, in each case only as expressly permitted by and in accordance with the terms of this Agreement and the other Related Documents. The Borrower shall utilize the proceeds of the Releases hereunder solely for (i) the purchase of Transferred Receivables from the Originators pursuant to the Sale Agreement and (ii) the repayment of Subordinated Loans.

(e) Payment and Performance of Charges and other Obligations.

(i) Subject to Section 5.01(e)(ii), the Borrower shall pay, perform and discharge or cause to be paid, performed and discharged promptly all charges and claims payable by it, including (A) Charges imposed upon it, its income and profits, or any of its property (real, personal or mixed) and all Charges with respect to tax, social security and unemployment withholding with respect to its employees, and (B) lawful claims for labor, materials, supplies and services or otherwise before any thereof shall become past due.

(ii) The Borrower may in good faith contest, by appropriate proceedings, the validity or amount of any charges or claims described in Section 5.01(e)(i); *provided* that (A) adequate reserves with respect to such contest are maintained on the books of the Borrower, in accordance with GAAP, (B) such contest is maintained and prosecuted continuously and with diligence, (C) none of the Borrower Collateral becomes subject to forfeiture or loss as a result of such contest, (D) no Lien shall be imposed to secure payment of such charges or claims other than inchoate tax liens and (E) the Administrative Agent has not advised the Borrower in writing that it

reasonably believes that failure to pay or to discharge such claims or charges could have or result in a Material Adverse Effect.

(f) ERISA. The Borrower shall give the Administrative Agent prompt written notice of any event that (i) could reasonably be expected to result in the imposition of a Lien on any Borrower Collateral under Section 430(k) of the IRC or Section 303(k) or 4068 of ERISA, or (ii) could reasonably be expected to result in the incurrence by Borrower of any liabilities under Title IV of ERISA (other than premium payments arising in the ordinary course of business).

(g) Borrower to Maintain Perfection and Priority. In order to evidence the interests of the Administrative Agent and the Lenders under this Agreement, the Borrower shall, from time to time take such action, or execute and deliver such instruments (other than filing financing statements) as may be necessary or advisable (including, such actions as are requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's (on behalf of the Secured Parties) security interest in the Transferred Receivables and all other collateral pledged to the Administrative Agent (on behalf of the Secured Parties) pursuant to the Related Documents. The Borrower shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent upon request for the Administrative Agent's authorization and approval, and file or cause to be filed in the appropriate jurisdictions all financing statements, amendments, continuations or other filings necessary to continue, maintain and perfect the Administrative Agent's (on behalf of the Secured Parties) security interest in the Transferred Receivables and all other collateral pledged to the Administrative Agent (on behalf of the Secured Parties) pursuant to the Related Documents as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Borrower to file such financing statements under the UCC, without the signature of the Borrower, any Originator or the Administrative Agent where allowed by applicable law. Notwithstanding anything else in the Related Documents to the contrary, neither the Borrower, the Servicer, nor any Originator shall have any authority to file a termination, partial termination, release, partial release or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements, without the prior written consent of the Administrative Agent.

(h) Due Diligence. Representatives of the Managing Agents shall, upon reasonable notice, be permitted at any time and from time to time during regular business hours, (i) to examine and make copies of and take abstracts from all books, records and documents (including computer tapes and disks) relating to the Receivables, including the related Contracts and (ii) to visit the offices and properties of the Borrower, any Originator, the Servicer or the Parent for the purpose of examining such materials described in clause (i), and to discuss matters relating to the Receivables or the Borrower's, each Originator's or the Servicer's performance hereunder, under the Contracts and under the other Related Documents to which such Person is a party with any of the officers, directors, employees or independent public accountants of the Borrower, any Originator or the Parent, as applicable, having knowledge of such matters; *provided* that unless a Termination Event or Incipient Termination Event shall have occurred and be continuing, the Borrower shall not be required to reimburse the expenses of more than one (1) such visit in the aggregate among the Borrower and the Parent per calendar year.

(i) Anti-Corruption Laws, Anti-Terrorism Laws and Sanctions. Policies and procedures will be maintained and enforced by or on behalf of the Borrower that are designed in good faith and in a commercially reasonable manner to promote and achieve compliance, in the reasonable judgment of the Borrower, by the Borrower and each of its directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions, in each case giving due regard to the nature of the Borrower's business and activities.

(j) Beneficial Ownership Rule. Promptly following any change that would result in a change to the status of the Borrower as an excluded “Legal Entity Customer” under the Beneficial Ownership Rule, the Borrower shall execute and deliver to each Lender a Certification of Beneficial Owner(s) complying with the Beneficial Ownership Rule, in form and substance reasonably acceptable to such Lender.

(k) Taxes. The Borrower shall (i) timely file all United States federal and all other material Tax returns required to be filed by it and (ii) pay, or cause to be paid, all United States federal and all other material Taxes, assessments and other governmental charges, if any, other than Taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP.

Section 5.02. Reporting Requirements of the Borrower. The Borrower hereby agrees that from and after the Effective Date until the Termination Date, it shall furnish or cause to be furnished to the Administrative Agent, the Managing Agents and the Lenders:

(a) The financial statements, notices, reports and other information at the times, to the Persons and in the manner set forth in Annex 5.02(a).

(b) At the same time each Monthly Report, Weekly Report or Daily Report, as applicable, is required to be delivered pursuant to the terms of clause (a) of Annex 5.02(a), a completed certificate in the form attached hereto as Exhibit 5.02(b) (each, a “Borrowing Base Certificate”), *provided* that if (i) an Incipient Termination Event or a Termination Event shall have occurred and be continuing or (ii) the Administrative Agent, in good faith, believes that an Incipient Termination Event or a Termination Event is imminent or deems the Lenders’ rights or interests in the Transferred Receivables or the Borrower Collateral insecure, then such Borrowing Base Certificates shall be delivered daily; and each Borrowing Base Certificate shall be prepared by the Borrower or the Servicer as of the last day of the previous month or week, in the event Borrowing Base Certificates are required to be delivered on a monthly or weekly basis, and as of the close of business on the previous Business Day, in the event Borrowing Base Certificates are required to be delivered on each Business Day.

(c) Such other reports, statements and reconciliations with respect to the Obligors subject to the Specified Filing Documents, the Receivables (including the outstanding balance thereof) subject to the transactions contemplated by the Specified Filing Documents, the Borrowing Base or Borrower Collateral as any Lender, any Managing Agent or the Administrative Agent shall from time to time request in its reasonable discretion.

Section 5.03. Negative Covenants of the Borrower. The Borrower covenants and agrees that, without the prior written consent of the Requisite Lenders, from and after the Effective Date until the Termination Date:

(a) Sale of Stock and Assets. The Borrower shall not sell, transfer, convey, assign or otherwise dispose of, or assign any right to receive income in respect of, any of its properties or other assets or any of its Stock (whether in a public or a private offering or otherwise), any Transferred Receivable or Contract therefor or any of its rights with respect to any Lockbox or any Account except as otherwise expressly permitted by this Agreement or any of the other Related Documents.

(b) Liens. The Borrower shall not create, incur, assume or permit to exist (i) any Adverse Claim on or with respect to its Transferred Receivables or (ii) any Adverse Claim on or with respect to its other properties or assets (whether now owned or hereafter acquired) except for the Liens set forth in Schedule 5.03(b) and other Permitted Encumbrances. In

addition, the Borrower shall not become a party to any agreement, note, indenture or instrument or take any other action that would prohibit the creation of a Lien on any of its properties or other assets in favor of the Lenders as additional collateral for the Borrower Obligations, except as otherwise expressly permitted by this Agreement or any of the other Related Documents.

(c) Modifications of Receivables, Contracts or Credit and Collection Policies. The Borrower shall not, without the prior written consent of the Administrative Agent (i) and the Requisite Lenders, extend, amend, forgive, discharge, compromise, waive, cancel or otherwise modify the terms of any Transferred Receivable or amend, modify or waive any term or condition of any Contract related thereto, *provided* that the Borrower may authorize the Servicer to take such actions as are expressly permitted by the terms of any Related Document or the Credit and Collection Policies so long as, after giving effect to any such action, no Receivables which constituted Eligible Receivables prior to such action would no longer constitute Eligible Receivables as a result of such action, or (ii) amend, modify or waive any term or provision of the Credit and Collection Policies.

(d) Changes in Instructions to Obligors. The Borrower shall not make any change in its instructions to Obligors regarding the deposit of Collections with respect to the Transferred Receivables, except to the extent the Administrative Agent and the Requisite Lenders direct the Borrower to change such instructions to Obligors or the Administrative Agent and the Requisite Lenders consent in writing to such change.

(e) Capital Structure and Business. The Borrower shall not (i) make any changes in any of its business objectives, purposes or operations that could reasonably be expected to have or result in a Material Adverse Effect, (ii) make any material change in its capital structure (including the issuance or recapitalization of any shares of Stock or other securities convertible into Stock or any revision of the terms of its outstanding Stock), except that changes in Borrower's capital structure shall be permitted so long as such changes, individually and in the aggregate, do not constitute a Change of Control, (iii) amend its certificate or articles of incorporation, bylaws or other organizational documents in any manner which may adversely affect the Secured Parties, (iv) make any material change in the nature of its business from the business as carried on by it, at the Effective Date or any business substantially related or incidental thereto or any business substantially related or incidental to manufacturing, contract assembly, operational, logistics, distribution, integrated services, supply chain management services and related sales and services or (v) undertake any division of its rights, assets, obligations or liabilities pursuant to a plan of division or otherwise pursuant to applicable law.

(f) Mergers, Subsidiaries, Etc. The Borrower shall not directly or indirectly, by operation of law or otherwise, (i) form or acquire any Subsidiary, or (ii) merge with, consolidate with, acquire all or substantially all of the assets or capital Stock of, or otherwise combine with or acquire, any Person.

(g) Sale Characterization; Receivables Sale and Servicing Agreement. The Borrower shall not make statements or disclosures, prepare any financial statements or in any other respect account for or treat the transactions contemplated by the Sale Agreement (including for accounting, tax and reporting purposes) in any manner other than (i) with respect to each Sale of each Sold Receivable effected pursuant to the Sale Agreement, as a true sale and absolute assignment of the title to and sole record and beneficial ownership interest of the Transferred Receivables by the Originators to the Borrower or (ii) with respect to each contribution of Contributed Receivables thereunder, as an increase in the stated capital of the Borrower.

(h) Restricted Payments. The Borrower shall not enter into any lending transaction with any other Person. The Borrower shall not at any time (i) advance credit to any Person or (ii) declare any distributions, repurchase any Stock, return any capital, or make any other payment or distribution of cash or other property or assets in respect of the Borrower's Stock or make a repayment with respect to any Subordinated Loans if, after giving effect to any such advance or distribution, a Funding Excess, Incipient Termination Event or Termination Event would exist or otherwise result therefrom.

(i) Indebtedness. The Borrower shall not create, incur, assume or permit to exist any Debt, except (i) Debt of the Borrower to any Affected Party, Indemnified Person, the Servicer or any other Person expressly permitted by this Agreement or any other Related Document, (ii) Subordinated Loans pursuant to the Subordinated Notes, (iii) deferred taxes, (iv) unfunded pension fund and other employee benefit plan obligations and liabilities to the extent they are permitted to remain unfunded under applicable law, and (v) endorser liability in connection with the endorsement of negotiable instruments for deposit or collection in the ordinary course of business.

(j) Prohibited Transactions. The Borrower shall not enter into, or be a party to, (i) any transaction with any Person except as expressly permitted hereunder or under any other Related Document or (ii) any document or agreement, other than the Related Documents.

(k) Investments. Except as otherwise expressly permitted hereunder or under the other Related Documents, the Borrower shall not make any investment in, or make or accrue loans or advances of money to, any Person, including the Parent, any director, officer or employee of the Borrower, the Parent or any of the Parent's other Subsidiaries, through the direct or indirect lending of money, holding of securities or otherwise, except with respect to Transferred Receivables.

(l) Commingling. The Borrower shall not deposit or permit the deposit of any funds that do not constitute Collections of Transferred Receivables into any Lockbox, any Collection Account or any Concentration Account, except (i) as otherwise contemplated under Section 4.02(1) of the Sale Agreement and (ii) during any Settlement Period ending on or prior to December 31, 2022, Excluded Receivable Collections but solely to the extent that the Commingling Ratio for such Settlement Period does not exceed 10.0%. If funds that are not Collections are deposited impermissibly into any Lockbox, any Collection Account or any Concentration Account, the Borrower shall, or shall cause the Servicer to, notify the Administrative Agent in writing promptly upon discovery thereof, and, the Servicer shall promptly remit (or direct the relevant Collection Account Bank or Concentration Account Bank, as applicable, to remit) any such amounts that are not Collections to the applicable Originator or other Person designated in such notice.

(m) ERISA. The Borrower shall not, and shall not cause or permit any of its ERISA Affiliates to, cause or permit to occur an event that (i) could reasonably be expected to result in the imposition of a Lien on any Borrower Collateral under Section 430(k) of the IRC or Section 303(k) or 4068 of ERISA, or (ii) could reasonably be expected to result in the incurrence by Borrower of any material liabilities under Title IV of ERISA (other than (x) premium payments arising in the ordinary course of business and (y) liabilities arising under Section 4041(b) of ERISA).

(n) Related Documents. The Borrower shall not amend, modify or waive any term or provision of any Related Document without the prior written consent of the Administrative Agent and the Requisite Lenders.

(o) Board Policies. The Borrower shall not modify the terms of any policy or resolutions of its board of directors if such modification could reasonably be expected to have or result in a Material Adverse Effect.

(p) Additional Stockholders of Borrower. The Borrower shall not issue shares of Stock to any Person other than Parent without the prior written consent of the Administrative Agent and the Requisite Lenders.

(q) Anti-Corruption Laws, Anti-Terrorism Laws and Sanctions. The Borrower will not request any Advance, and shall not directly or indirectly use, the proceeds of any Advance or Release (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Terrorism Laws, (B) for the purpose of funding or financing any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in each case to the extent doing so would violate any Sanctions, or (C) in any other manner that would result in liability to any party hereto under any applicable Sanctions or the violation of any Sanctions by any such Person.

(r) Specified Filing Documents. The Borrower shall not permit any amendment, restatement, supplement or other modification of any Specified Filing Documents that adds any Obligor as the subject of the transactions contemplated thereby with respect to any Originator, unless all Receivables of such Obligor constitute Excluded Receivables.

Section 5.04. Supplemental Disclosure. On the request of the Administrative Agent (in the event that such information is not otherwise delivered by the Borrower to the Administrative Agent pursuant to this Agreement), the Borrower will supplement (or cause to be supplemented) each Schedule hereto, or representation herein or in any other Related Document with respect to any matter hereafter arising which, if existing or occurring at the date of this Agreement, would have been required to be set forth or described in such Schedule or as an exception to such representation or which is necessary to correct any information in such Schedule or representation which has been rendered inaccurate thereby; *provided* that such supplement to any such Schedule or representation shall not be deemed an amendment thereof except if and to the extent that the information disclosed in such supplement updates (A) Schedule 4.01(b) or (B) Schedule 4.01(q) to include any accounts.

Section 5.05. Tax Covenant of the Servicer. The Servicer covenants and agrees that, from and after the Effective Date and until the Termination Date, (i) each of the Servicer, the Parent, each Originator and each Affiliate thereof shall pay and discharge, before the same shall become delinquent, all material Taxes imposed upon it or upon its property; *provided, however*, that neither the Servicer, the Parent, any Originator nor any Affiliate thereof shall be required to pay or discharge any such Tax that is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained, unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors and (ii) the Servicer shall promptly after becoming aware (or any of its Affiliates becoming aware) notify each Lender, the Administrative Agent and each Managing Agent in writing of any notice of deficiency (e.g., Form CP3219A) or other assessment by any Governmental Authority of Taxes (including but without limitation, if applicable, levies or liens for Taxes under Code Sections 6321, 6322, 6851, 6852, or 6861 (or other similar provision of the Code, state or local law) issued, assessed or imposed by any Governmental Authority) in an amount exceeding \$50,000,000 with respect to any Person that is a parent or a member of an affiliated, consolidated, combined or unitary group of which the Borrower is or was a member, if the Borrower is liable for such Taxes pursuant to Treasury Regulations Section 1.1502-6 or any analogous or similar U.S. state or local law.

ARTICLE VI.

ACCOUNTS

Section 6.01. Establishment of Accounts.

(a) Concentration Account and Collection Accounts.

(i) Other than the Originator Collection Accounts, the Borrower has established with (x) each Concentration Account Bank a Concentration Account subject to a fully executed Concentration Account Agreement and (y) each Collection Account Bank a Borrower Collection Account subject to a fully executed Collection Account Agreement. Certain Originators have established with a Collection Account Bank one or more Originator Collection Accounts, each subject to a fully executed Collection Account Agreement. The Borrower agrees that the Administrative Agent shall have exclusive dominion and control of the Concentration Accounts and the Collection Accounts and all monies, instruments and other property from time to time on deposit therein. The Administrative Agent hereby agrees that until such time as it exercises its right to take exclusive dominion and control of any Concentration Account or any Collection Account under Section 7.05(d), the applicable Concentration Account Bank or Collection Account Bank shall be entitled to follow the instructions of the Borrower, or the Administrative Agent on behalf of the Borrower, with respect to the withdrawal, transfer or payment of funds on deposit in such Account.

(ii) The Borrower (or the Servicer on Borrower's behalf) has instructed all existing Obligor of Transferred Receivables, and shall instruct all future Obligor of such Receivables, to make payments in respect thereof only to the relevant Lockbox, the relevant Collection Account or the relevant Concentration Account. Schedule 4.01(g) lists all Lockboxes, Collection Accounts and Concentration Accounts and the applicable Bank at which the Borrower maintains such Lockboxes and Accounts as of the Closing Date, and such schedule correctly identifies (1) the name, address and telephone number of such Bank, (2) the name in which such Lockboxes and Accounts are held and the complete account number therefor, and (3) with respect to each Lockbox, the lockbox number and address thereof. The Borrower (or the Servicer on Borrower's behalf) shall endorse, to the extent necessary, all checks or other instruments received in any Lockbox so that the same can be deposited in the relevant Collection Account or the relevant Concentration Account, in the form so received (with all necessary endorsements), on the first Business Day after the date of receipt thereof. In addition, the Borrower shall deposit or cause to be deposited into the relevant Concentration Account all cash, checks, money orders or other proceeds of Transferred Receivables or Borrower Collateral received by it or any Originator in any Collection Account, in the form so received (with all necessary endorsements), not later than the close of business on the first Business Day following the date of receipt thereof, and until so deposited all such items or other proceeds shall be held in trust for the benefit of the Administrative Agent. The Borrower shall not make and shall not permit the Servicer or any Originator to make any deposits into any Lockbox, any Collection Account or any Concentration Account except in accordance with the terms of this Agreement or any other Related Document. The Borrower agrees that the Administrative Agent shall have exclusive dominion and control of the Collection Accounts and the Concentration Accounts and all instruments and other property from time to time received therein.

(iii) If, for any reason, any Collection Account Agreement or any Concentration Account Agreement terminates, or any Collection Account Bank or any Concentration Account Bank fails to comply with its obligations under such Account

Agreement, then the Borrower shall promptly notify all Obligors of Transferred Receivables who had previously been instructed to make wire payments to such Account maintained at such Bank to make all future payments to a new Collection Account or Concentration Account, as applicable, in accordance with this Section 6.01(a)(iii). The Borrower shall not close the relevant Account or permit any Originator to close the relevant Account unless it shall have (A) received the prior written consent of the Administrative Agent and the Requisite Lenders, (B) established a new account with the same Bank or with a new depository institution satisfactory to the Administrative Agent and the Requisite Lenders, (C) entered into an agreement covering such new account with such Bank or with such new depository institution substantially in the form of the predecessor Account Agreement or that is satisfactory in all respects to the Administrative Agent and the Requisite Lenders (whereupon, for all purposes of this Agreement and the other Related Documents, such new account shall become a Borrower Collection Account or a Concentration Account, such new agreement shall become a Collection Account Agreement or a Concentration Account Agreement and such new depository institution shall become a Collection Account Bank or a Concentration Account Bank, as applicable), and (D) taken all such action as the Administrative Agent and the Requisite Lenders shall reasonably require to grant and perfect a first priority Lien in such new Account to the Administrative Agent under Section 7.01 of this Agreement. Except as permitted by this Section 6.01(a), the Borrower shall not, and shall not permit the Servicer or any Originator to, open any new Lockbox, Collection Account or Concentration Account without the prior written consent of the Administrative Agent and the Requisite Lenders.

(b) [Reserved].

(c) Agent Account.

(i) The Administrative Agent has established and shall maintain the Agent Account with the Agent Bank. The Agent Account shall be registered in the name of the Administrative Agent and the Administrative Agent shall, subject to the terms of this Agreement, have exclusive dominion and control thereof and of all monies, instruments and other property from time to time on deposit therein.

(ii) All payments of any outstanding Advances, Yield, fees and expenses and any other amounts by the Borrower to the Lenders hereunder shall be paid in Dollars to the Agent Account. The Lenders and the Administrative Agent may deposit into the Agent Account from time to time all monies, instruments and other property received by any of them as proceeds of the Transferred Receivables.

(iii) If, for any reason, the Agent Bank wishes to resign as depository of the Agent Account or fails to carry out the instructions of the Administrative Agent, then the Administrative Agent shall promptly notify the Lenders. Neither the Lenders nor the Administrative Agent shall close the Agent Account unless (A) a new deposit account has been established with a new depository institution, (B) the Lenders and the Administrative Agent have entered into an agreement covering such new account with such new depository institution satisfactory in all respects to the Administrative Agent (whereupon such new account shall become the Agent Account and such new depository institution shall become the Agent Bank for all purposes of this Agreement and the other Related Documents), and (C) the Lenders and the Administrative Agent have taken all such action as the Administrative Agent shall require to grant and perfect a first priority Lien in such new Agent Account to the Administrative Agent on behalf of the Secured Parties.

(d) Borrower Account.

(i) The Borrower has established the Borrower Account subject to a fully executed Borrower Account Agreement and agrees that, subject to this clause (i), the Administrative Agent shall have exclusive dominion and control of such Borrower Account and all monies, instruments and other property from time to time on deposit therein. The Administrative Agent hereby agrees that until such time as it exercises its right to take exclusive dominion and control of the Borrower Account under Section 7.05(d), the Borrower Account Bank shall be entitled to follow the instructions of the Borrower, or the Administrative Agent on behalf of the Borrower, with respect to the withdrawal, transfer or payment of funds on deposit in the Borrower Account.

(ii) During any time after which the Borrower Account is established pursuant to clause (d)(i) above, if, for any reason, the Borrower Account Agreement relating to the Borrower Account terminates or the Borrower Account Bank fails to comply with its obligations under such Borrower Account Agreement, then the Borrower shall promptly notify the Administrative Agent thereof and the Borrower, the Servicer or the Administrative Agent, as the case may be, shall instruct the Borrower Account Bank to make all future wire payments to a new Borrower Account in accordance with this Section 6.01(d)(ii). The Borrower shall not close the Borrower Account unless it shall have (A) received the prior written consent of the Administrative Agent and the Requisite Lenders, (B) established a new account with the same Borrower Account Bank or with a new depository institution satisfactory to the Administrative Agent and the Requisite Lenders, (C) entered into an agreement covering such new account with such Borrower Account Bank or with such new depository institution substantially in the form of the Borrower Account Agreement or that is satisfactory in all respects to the Administrative Agent and the Requisite Lenders (whereupon, for all purposes of this Agreement and the other Related Documents, such new account shall become the Borrower Account, such new agreement shall become a Borrower Account Agreement and any new depository institution shall become the Borrower Account Bank), and (D) taken all such action as the Administrative Agent and the Requisite Lenders shall reasonably require to grant and perfect a first priority Lien in such new Borrower Account to the Administrative Agent under Section 7.01. Except as permitted by this Section 6.01(d), the Borrower shall not, and shall not permit the Servicer to open a new Borrower Account without the prior written consent of the Administrative Agent and the Requisite Lenders.

ARTICLE VII.

GRANT OF SECURITY INTERESTS

Section 7.01. Borrower's Grant of Security Interest. Borrower hereby reconfirms its grant of a Lien for the benefit of the Secured Parties in the "Borrower Collateral" under, and as defined in, the Existing Receivables Funding Agreement, and confirms that such Lien has been granted to secure the Borrower Obligations, which include the "Borrower Obligations" under, and as defined in, the Existing Receivables Funding Agreement. Furthermore, to secure the prompt and complete payment, performance and observance of all Borrower Obligations, and to induce the Administrative Agent and the Lenders to enter into this Agreement and perform the obligations required to be performed by them hereunder in accordance with the terms and conditions hereof, the Borrower hereby grants, assigns, conveys, pledges, hypothecates and transfers to the Administrative Agent, for the benefit of the Secured Parties a Lien upon and security interest in all of the Borrower's right, title and interest in, to and under, but none of its obligations arising from, the following property, whether now owned by or owing to, or hereafter acquired by or arising in favor of, the Borrower (including under any trade

names, styles or derivations of the Borrower), and regardless of where located (all of which being hereinafter collectively referred to as the “Borrower Collateral”):

(a) all Receivables;

(b) the Sale Agreement, the Account Agreements and all other Related Documents now or hereafter in effect relating to the purchase, servicing, processing or collection of Receivables (collectively, the “Borrower Assigned Agreements”), including (i) all rights of the Borrower to receive moneys due and to become due thereunder or pursuant thereto, (ii) all rights of the Borrower to receive proceeds of any insurance, indemnity, warranty or guaranty with respect thereto, (iii) all claims of the Borrower for damages or breach with respect thereto or for default thereunder and (iv) the right of the Borrower to amend, waive or terminate the same and to perform and to compel performance and otherwise exercise all remedies thereunder;

(c) all of the following (collectively, the “Borrower Account Collateral”):

(i) the Concentration Accounts, the Lockboxes and all funds on deposit therein and all certificates and instruments, if any, from time to time representing or evidencing the Concentration Accounts, the Lockboxes or such funds,

(ii) the Collection Accounts, the Lockboxes and all funds on deposit therein and all certificates and instruments, if any, from time to time representing or evidencing the Collection Accounts, the Lockboxes or such funds,

(iii) the Borrower Account and all funds on deposit therein and all certificates and instruments, if any, from time to time representing or evidencing the Borrower Account or such funds,

(iv) all notes, certificates of deposit and other instruments from time to time delivered to or otherwise possessed by the Administrative Agent, any Managing Agent, any Lender or any assignee or agent on behalf of the Administrative Agent, any Managing Agent or any Lender in substitution for or in addition to any of the then existing Borrower Account Collateral, and

(v) all interest, dividends, cash, instruments, investment property and other property from time to time received, receivable or otherwise distributed with respect to or in exchange for any and all of the then existing Borrower Account Collateral;

(d) all other property relating to the Receivables that may from time to time hereafter be granted and pledged by the Borrower or by any Person on its behalf whether under this Agreement or otherwise, including any deposit with any Lender, any Managing Agent or the Administrative Agent of additional funds by the Borrower;

(e) all other personal property of the Borrower of every kind and nature not described above, including all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights, commercial tort claims, securities and all other investment property, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles);

(f) to the extent not otherwise included, all proceeds and products of the foregoing and all accessions to, substitutions and replacements for, and profits of, each of the foregoing Borrower Collateral (including proceeds that constitute property of the types described in Sections 7.01(a) through (e)); and

(g) to the extent not otherwise included, all “Borrower Collateral” under, and as defined in, the Existing Receivables Funding Agreement.

Section 7.02. Borrower’s Agreements. The Borrower hereby (a) assigns, transfer and conveys the benefits of the representations, warranties and covenants of each Originator made to the Borrower under the Sale Agreement to the Administrative Agent for the benefit of the Secured Parties hereunder; (b) acknowledges and agrees that the rights of the Borrower to require payment of a Rejected Amount from an Originator under the Sale Agreement may be enforced by the Lenders and the Administrative Agent; and (c) certifies that the Sale Agreement provides that the representations, warranties and covenants described in Sections 4.01, 4.02 and 4.03 thereof, the indemnification and payment provisions of Article V thereof and the provisions of Sections 4.03(j), 6.12, 6.14 and 6.15 thereof shall survive the sale of the Transferred Receivables (and undivided percentage ownership interests therein) and the termination of the Sale Agreement and this Agreement.

Section 7.03. Delivery of Collateral. All certificates or instruments representing or evidencing all or any portion of the Borrower Collateral shall be delivered to and held by or on behalf of the Administrative Agent and shall be in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Administrative Agent. The Administrative Agent shall have the right (a) at any time to exchange certificates or instruments representing or evidencing Borrower Collateral for certificates or instruments of smaller or larger denominations and (b) at any time in its discretion following the occurrence and during the continuation of a Termination Event and without notice to the Borrower, to transfer to or to register in the name of the Administrative Agent or its nominee any or all of the Borrower Collateral.

Section 7.04. Borrower Remains Liable. It is expressly agreed by the Borrower that, anything herein to the contrary notwithstanding, the Borrower shall (a) remain liable under any and all of the Transferred Receivables, the Contracts therefor, the Borrower Assigned Agreements and any other agreements constituting the Borrower Collateral to which it is a party, and (b) observe and perform all the conditions and obligations to be observed and performed by it thereunder. The Lenders, the Managing Agents and the Administrative Agent shall not have any obligation or liability under any such Receivables, Contracts or agreements by reason of or arising out of this Agreement or the granting herein or therein of a Lien thereon or the receipt by the Administrative Agent, the Managing Agents or the Lenders of any payment relating thereto pursuant hereto or thereto. The exercise by any Lender, any Managing Agent or the Administrative Agent of any of its respective rights under this Agreement shall not release any Originator, the Borrower or the Servicer from any of their respective duties or obligations under any such Receivables, Contracts or agreements. None of the Lenders, the Managing Agents or the Administrative Agent shall be required or obligated in any manner to perform or fulfill any of the obligations of any Originator, the Borrower or the Servicer under or pursuant to any such Receivable, Contract or agreement, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any such Receivable, Contract or agreement, or to present or file any claims, or to take any action to collect or enforce any performance or the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

Section 7.05. Covenants of the Borrower Regarding the Borrower Collateral.

(a) Offices and Records. The Borrower shall maintain its organizational form, jurisdiction of organization, organizational identification number, principal place of business and chief executive office and the office at which it stores its Records at the respective locations specified in Schedule 4.01(b) or, upon 30 days' prior written notice to the Administrative Agent, at such other location in a jurisdiction where all action requested by the Administrative Agent pursuant to Section 12.13 shall have been taken with respect to the Borrower Collateral. The Borrower shall, and shall cause the Servicer to at its own cost and expense, maintain adequate and complete records of the Transferred Receivables and the Borrower Collateral, including records of any and all payments received, credits granted and merchandise returned with respect thereto and all other dealings therewith. The Borrower shall, and shall cause the Servicer to, by no later than the Effective Date, mark conspicuously with a legend, in form and substance satisfactory to the Administrative Agent, its books and records (including computer records) and credit files pertaining to the Borrower Collateral, and its file cabinets or other storage facilities where it maintains information pertaining thereto, to evidence this Agreement and the assignment and Liens granted pursuant to this Article VII. Upon the occurrence and during the continuance of a Termination Event, the Borrower shall, and shall cause the Servicer to, deliver and turn over such books and records to the Administrative Agent or its representatives at any time on demand of the Administrative Agent. Prior to the occurrence of a Termination Event and upon notice from the Administrative Agent or any Managing Agent, the Borrower shall, and shall cause the Servicer to, permit any representative of the Administrative Agent or any Managing Agent to inspect such books and records and shall provide photocopies thereof to the Administrative Agent or any Managing Agent as more specifically set forth in Section 7.05(b).

(b) Access. The Borrower shall, and shall cause the Servicer to, at its or the Servicer's own expense, during normal business hours, from time to time upon two Business Days' prior notice as frequently as the Administrative Agent determines to be appropriate: (i) provide the Lenders, the Managing Agents, the Administrative Agent and any of their respective officers, employees and agents access to its properties (including properties utilized in connection with the collection, processing or servicing of the Transferred Receivables), facilities, advisors and employees (including officers) and to the Borrower Collateral, (ii) permit the Lenders, the Managing Agents, the Administrative Agent and any of their respective officers, employees and agents to inspect, audit and make extracts from its books and records, including all Records, (iii) permit each of the Lenders, the Managing Agents and the Administrative Agent and their respective officers, employees and agents to inspect, review and evaluate the Transferred Receivables and the Borrower Collateral and (iv) permit each of the Lenders, the Managing Agents and the Administrative Agent and their respective officers, employees and agents to discuss matters relating to the Transferred Receivables or its performance under this Agreement or the other Related Documents or its affairs, finances and accounts with any of its officers, directors, employees, representatives or agents (in each case, with those persons having knowledge of such matters) and with its independent certified public accountants. If (i) the Administrative Agent in good faith deems any Lender's rights or interests in the Transferred Receivables, the Borrower Assigned Agreements or any other Borrower Collateral insecure or the Administrative Agent in good faith believes that an Incipient Termination Event or a Termination Event is imminent or (ii) an Incipient Termination Event or a Termination Event shall have occurred and be continuing, then the Borrower shall, and shall cause the Servicer to, at its own expense, provide such access at all times without prior notice from the Administrative Agent or any Managing Agent and provide the Administrative Agent and any Managing Agent with access to the suppliers and customers of the Borrower and the Servicer. The Borrower shall, and shall cause the Servicer to, make available to the Administrative Agent and its counsel, as quickly as is possible under the circumstances, originals or copies of all books and records, including Records, that the Administrative Agent may request. The Borrower shall, and shall cause the Servicer to, and the Servicer shall deliver any document or instrument necessary for the Administrative Agent, as the Administrative

Agent may from time to time request, to obtain records from any service bureau or other Person that maintains records for the Borrower or the Servicer, and shall maintain duplicate records or supporting documentation on media, including computer tapes and discs owned by the Borrower or the Servicer.

(c) Communication with Accountants. The Borrower hereby authorizes (and shall cause the Servicer to authorize) the Lenders, the Managing Agents and the Administrative Agent to communicate directly with its independent certified public accountants and authorizes and shall instruct those accountants and advisors to disclose and make available to the Lenders, the Managing Agents and the Administrative Agent any and all financial statements and other supporting financial documents, schedules and information relating to the Borrower or the Servicer (including copies of any issued management letters) and to discuss matters with respect to its business, financial condition and other affairs.

(d) Collection of Transferred Receivables. In connection with the collection of amounts due or to become due to the Borrower under the Transferred Receivables, the Borrower Assigned Agreements and any other Borrower Collateral pursuant to the Sale Agreement, the Borrower shall, or shall cause the Servicer to, take such action as it, and from and after the occurrence and during the continuance of a Termination Event, the Administrative Agent, may deem reasonably necessary or desirable to enforce collection of the Transferred Receivables, the Borrower Assigned Agreements and the other Borrower Collateral; *provided* that the Borrower may, rather than commencing any such action or taking any other enforcement action, at its option, elect to pay to the Administrative Agent, for deposit into the Agent Account, an amount equal to the Outstanding Balance of any such Transferred Receivable; *provided further* that if (i) an Incipient Termination Event or a Termination Event shall have occurred and be continuing or (ii) the Administrative Agent, in good faith believes that an Incipient Termination Event or a Termination Event is imminent, then the Administrative Agent may, without prior notice to the Borrower, any Originator or the Servicer, (x) exercise its right to take exclusive ownership and control of the Accounts in accordance with the terms applicable Account Agreement and (y) notify any Obligor under any Transferred Receivable or obligors under the Borrower Assigned Agreements of the pledge of such Transferred Receivables or Borrower Assigned Agreements, as the case may be, to the Administrative Agent on behalf of the Secured Parties hereunder and direct that payments of all amounts due or to become due to the Borrower thereunder be made directly to the Administrative Agent or any servicer, collection agent or lockbox or other account designated by the Administrative Agent and, upon such notification and at the sole cost and expense of the Borrower, the Administrative Agent may enforce collection of any such Transferred Receivable or the Borrower Assigned Agreements and adjust, settle or compromise the amount or payment thereof. The Administrative Agent shall provide prompt notice to the Borrower and the Servicer of any such notification of pledge or direction of payment to the Obligor under any Transferred Receivables.

(e) Performance of Borrower Assigned Agreements. The Borrower shall, and shall cause the Servicer to, (i) perform and observe all the terms and provisions of the Borrower Assigned Agreements to be performed or observed by it, maintain the Borrower Assigned Agreements in full force and effect, enforce the Borrower Assigned Agreements in accordance with their terms and take all action as may from time to time be reasonably requested by the Administrative Agent in order to accomplish the foregoing, and (ii) upon the reasonable request of and as directed by the Administrative Agent, make such demands and requests to any other party to the Borrower Assigned Agreements as are permitted to be made by the Borrower or the Servicer thereunder.

(f) License for Use of Software and Other Intellectual Property. Unless expressly prohibited by the licensor thereof or any provision of applicable law, if any, the

Borrower hereby grants to the Administrative Agent on behalf of the Secured Parties a limited license to use, without charge, the Borrower's and the Servicer's computer programs, software, printouts and other computer materials, technical knowledge or processes, data bases, materials, trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications, patents, patent applications, trade names, rights of use of any name, labels, fictitious names, inventions, designs, trade secrets, goodwill, registrations, copyrights, copyright applications, permits, licenses, franchises, customer lists, credit files, correspondence, and advertising materials or any property of a similar nature, as it pertains to the Borrower Collateral, or any rights to any of the foregoing, only as reasonably required in connection with the collection of the Transferred Receivables and the advertising for sale, and selling any of the Borrower Collateral, or exercising of any other remedies hereto, and the Borrower agrees that its rights under all licenses and franchise agreements shall inure to the Administrative Agent's benefit (on behalf of the Secured Parties) for purposes of the license granted herein. Except upon the occurrence and during the continuation of a Termination Event, the Administrative Agent and the Lenders agree not to use any such license without giving the Borrower prior written notice.

ARTICLE VIII.

TERMINATION EVENTS

Section 8.01. Termination Events. If any of the following events (each, a "Termination Event") shall occur (regardless of the reason therefor):

(a) the Borrower shall fail to make any payment of any monetary Borrower Obligation when due and payable and the same shall remain unremedied for one (1) Business Day or more; or

(b) (i) the Borrower shall fail to deliver a Daily Report, Weekly Report, Monthly Report or Borrowing Base Certificate as and when required hereunder and such failure shall remain unremedied for two (2) Business Days or more, (ii) any Originator shall fail or neglect to perform, keep or observe any covenant or provision of Section 4.04 of the Sale Agreement or Article V of the Sale Agreement, (iii) the Borrower, any Originator or the Servicer shall fail or neglect to perform, keep or observe any covenant or other provision of this Agreement or the other Related Documents (other than any provision embodied in or covered by any other clause of this Section 8.01) and the same shall remain unremedied for two (2) Business Days or more following the earlier to occur of an Authorized Officer of the Borrower becoming aware of such breach and the Borrower's receipt of notice thereof; or

(c) an Originator, the Borrower, the Parent or any of the Parent's other Subsidiaries shall fail to make any payment with respect to any of its Debts which, except with respect to the Borrower, is in an aggregate principal amount exceeding \$175,000,000 (other than Borrower Obligations) when due, and the same shall remain unremedied after any applicable grace period with respect thereto; or (ii) a default or breach or other occurrence shall occur and be continuing under any agreement, document or instrument to which an Originator, the Borrower, the Parent or any of the Parent's other Subsidiaries is a party or by which it or its property is bound (other than a Related Document) which relates to a Debt which, except with respect to the Borrower, is in an aggregate principal amount exceeding \$175,000,000, which event shall remain unremedied within the applicable grace period with respect thereto, and the effect of such default, breach or occurrence is to cause or to permit the holder or holders then to cause such Debt to become or be declared due prior to their stated maturity (other than by (i) secured Debt that becomes due solely as a result of the sale, transfer or other disposition of the property or assets securing such Debt and (ii) termination events or any other similar event under the documents governing swap contracts for so long as such event of default, termination

event or other similar event does not result in the occurrence of an early termination date or any acceleration or prepayment of any amounts or other Debt payable thereunder); or

(d) a case or proceeding shall have been commenced against the Borrower, any Originator, the Parent or any of the Parent's other Subsidiaries seeking a decree or order in respect of any such Person under any Debtor Relief Laws or any other applicable federal, state, provincial or foreign bankruptcy or other similar law, (i) appointing a custodian, receiver, liquidator, assignee, trustee or sequestrator (or similar official) for any such Person or for any substantial part of such Person's assets, or (ii) ordering the winding up or liquidation of the affairs of any such Person, and, so long as the Borrower is not a debtor in any such case or proceedings, such case or proceeding continues for 60 days unless dismissed or discharged; *provided* that such 60-day period shall be deemed terminated immediately if (x) a decree or order is entered by a court of competent jurisdiction with respect to a case or proceeding described in this subsection (d) or (y) any of the events described in Section 8.01(e) shall have occurred; or

(e) the Borrower, any Originator, the Parent or any of the Parent's other Subsidiaries shall (i) file a petition seeking relief under any Debtor Relief Laws or any other applicable federal, state, provincial or foreign bankruptcy or other similar law, (ii) consent or fail to object in a timely and appropriate manner to the institution of any proceedings under any Debtor Relief Laws or any other applicable federal, state, provincial or foreign bankruptcy or similar law or to the filing of any petition thereunder or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee or sequestrator (or similar official) for any such Person or for any substantial part of such Person's assets, (iii) make an assignment for the benefit of creditors, or (iv) take any corporate action in furtherance of any of the foregoing; or

(f) any Originator, the Borrower, Parent, or the Servicer (i) generally does not pay its debts as such debts become due or admits in writing its inability to, or is generally unable to, pay its debts as such debts become due or (ii) is not Solvent; or

(g) a final judgment or judgments for the payment of money in excess of \$175,000,000 in the aggregate (net of (i) amounts covered by valid third-party indemnification obligations from a third party that is solvent and has been notified of the claim under such indemnification obligation and has not disputed that it is liable for such claim and (ii) the amount of such judgment or order is covered by a valid and binding policy of insurance between the defendant and one or more reputable insurers (as determined by Parent) covering payment thereof) at any time outstanding shall be rendered against any Originator, the Parent or any Subsidiary of the Parent (other than the Borrower) and either (i) enforcement proceedings shall have been commenced upon any such judgment or (ii) the same shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed or bonded pending appeal, or shall not have been discharged prior to the expiration of any such stay; or

(h) a final judgment or judgments for the payment of money in excess of \$100,000 in the aggregate at any time outstanding shall be rendered against the Borrower, and either (i) enforcement proceedings shall have been commenced upon any such judgment or (ii) the same shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed or bonded pending appeal, or shall not have been discharged prior to the expiration of any such stay; or

(i) (i) any information contained in any Borrowing Base Certificate or any Borrowing Request is untrue or incorrect in any material respect, or (ii) any representation or warranty of any Originator or the Borrower herein or in any other Related Document or in any written statement, report, financial statement or certificate (other than a Borrowing Base

Certificate or any Borrowing Request) made or delivered by or on behalf of such Originator or the Borrower to any Affected Party hereto or thereto is untrue or incorrect in any material respect as of the date when made or deemed made; or

(j) any Governmental Authority (including the IRS or the PBGC) shall file notice of a Lien with respect to a Pension Plan of any Originator, the Parent or any of their respective ERISA Affiliates with regard to any assets of any Originator, the Parent or any of their respective ERISA Affiliates (other than a Lien (i) limited by its terms to assets other than Transferred Receivables and (ii) not materially adversely affecting the financial condition of such Originator, the Parent or any such ERISA Affiliate or the ability of the Servicer to perform its duties hereunder or under the Related Documents); or

(k) any Governmental Authority (including the IRS or the PBGC) shall file notice of a Lien with regard to any of the assets of the Borrower, or a contribution failure occurs with respect to any Pension Plan of the Borrower or any ERISA Affiliate of the Borrower sufficient to give rise to a lien under section 303(k) of ERISA; or

(l) (1) there shall have occurred any event which, in the reasonable judgment of the Administrative Agent (acting at the direction of the Requisite Lenders), materially and adversely impairs (i) the ability of the Originators (taken as a whole) to originate Receivables (other than Excluded Receivables) of a credit quality which are at least of the credit quality of the Receivables (other than Excluded Receivables) as of the 2016 Effective Date, (ii) the financial condition or operations of the Originators (taken as a whole), the Borrower or the Parent, or (iii) the collectability of Receivables (other than Excluded Receivables), or (2) the Administrative Agent shall have determined in the exercise of its reasonable judgment (and so notified the Borrower) that any event or condition that has had or would reasonably be expected to have or result in a Material Adverse Effect has occurred; or

(m) (i) a default or breach shall occur under any provision of the Sale Agreement and after the passing of any applicable grace period the same shall remain unremedied for two (2) Business Days or more following the earlier to occur of an Authorized Officer of the Borrower becoming aware of such breach and the Borrower's receipt of notice thereof, or (ii) the Sale Agreement shall for any reason cease to evidence the transfer to the Borrower of the legal and equitable title to, and ownership of, the Transferred Receivables; or

(n) except as otherwise expressly provided herein, any Account Agreement shall have been modified, amended or terminated without the prior written consent of the Administrative Agent and the Requisite Lenders; or

(o) an Event of Servicer Termination shall have occurred; or

(p) (A) the Borrower shall cease to hold valid and properly perfected title to and sole record and beneficial ownership in the Transferred Receivables and the other Borrower Collateral or (B) the Administrative Agent (on behalf of the Lenders) shall cease to hold a first priority, perfected Lien in the Transferred Receivables or any of the Borrower Collateral; or

(q) a Change of Control shall have occurred; or

(r) the Borrower shall amend its certificate of incorporation or bylaws without the express prior written consent of the Requisite Lenders and the Administrative Agent; or

(s) the Borrower shall have received an Election Notice pursuant to Section 2.01(d) of the Sale Agreement; or

(t) on any date of determination, (i) the Default Trigger Ratio shall exceed 2.25%; (ii) the Delinquency Trigger Ratio shall exceed 2.50%; (iii) the Dilution Trigger Ratio shall exceed 5.75%; or (iv) the Receivables Collection Turnover Trigger shall exceed 52.5 days; or

(u) [reserved];

(v) any material provision of any Related Document shall for any reason cease to be valid, binding and enforceable in accordance with its terms (or any Originator or the Borrower shall challenge the enforceability of any Related Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Related Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms); or

(w) institution of any steps by the Borrower or any other Person to terminate a Pension Plan of the Borrower or any ERISA Affiliate of the Borrower if as a result of such termination the Borrower could be required to make a contribution to such Pension Plan, or could incur a liability or obligation to such Pension Plan, in excess of \$1,500,000; or

(x) [reserved]; or

(y) a Funding Excess exists at any time and the Borrower has not repaid the amount of such Funding Excess within one (1) Business Day in accordance with Section 2.08;

then, and in any such event, the Administrative Agent, may, with the consent of the Requisite Lenders, and shall, at the request of the Requisite Lenders, by notice to the Borrower, declare the Facility Termination Date to have occurred without demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; *provided* that the Facility Termination Date shall automatically occur upon the occurrence of any of the Termination Events described in Section 8.01(d) or (e), in each case without demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower. Upon the occurrence of the Facility Termination Date, all Borrower Obligations shall automatically be and become due and payable in full, without any action to be taken on the part of any Person. In addition, if any Event of Servicer Termination shall have occurred, then the Administrative Agent may, and shall, at the request of the Requisite Lenders, by delivery of a Servicer Termination Notice to Buyer and the Servicer, terminate the servicing responsibilities of the Servicer under the Sale Agreement in accordance with the terms thereof.

ARTICLE IX.

REMEDIES

Section 9.01. Actions Upon Termination Event. If any Termination Event shall have occurred and the Administrative Agent shall have declared the Facility Termination Date to have occurred or the Facility Termination Date shall be deemed to have occurred pursuant to Section 8.01, then the Administrative Agent may exercise in respect of the Borrower Collateral, in addition to any and all other rights and remedies granted to it hereunder, under any other Related Document or under any other instrument or agreement securing, evidencing or relating to the Borrower Obligations or otherwise available to it, all of the rights and remedies of a secured party upon default under the UCC (such rights and remedies to be cumulative and nonexclusive), and, in addition, may take the following actions:

(a) The Administrative Agent may, without notice to the Borrower except as required by law and at any time or from time to time, (i) charge, offset or otherwise apply

amounts payable to the Borrower from any Account against all or any part of the Borrower Obligations and (ii) without limiting the terms of Section 7.05(d), notify any Obligor under any Transferred Receivable or obligors under the Borrower Assigned Agreements of the transfer of the Transferred Receivables to the Borrower and the pledge of such Transferred Receivables or Borrower Assigned Agreements, as the case may be, to the Administrative Agent on behalf of the Secured Parties and direct that payments of all amounts due or to become due to the Borrower thereunder be made directly to the Administrative Agent or any servicer, collection agent or lockbox or other account designated by the Administrative Agent.

(b) The Administrative Agent may, without notice except as specified below, solicit and accept bids for and sell the Borrower Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or any of the Lenders' or Managing Agents' offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Administrative Agent may deem commercially reasonable. The Administrative Agent shall have the right to conduct such sales on the Borrower's premises or elsewhere and shall have the right to use any of the Borrower's premises without charge for such sales at such time or times as the Administrative Agent deems necessary or advisable. The Borrower agrees that, to the extent notice of sale shall be required by law, ten days' notice to the Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Administrative Agent shall not be obligated to make any sale of Borrower Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed for such sale, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Every such sale shall operate to divest all right, title, interest, claim and demand whatsoever of the Borrower in and to the Borrower Collateral so sold, and shall be a perpetual bar, both at law and in equity, against each Originator, the Borrower, any Person claiming any right in the Borrower Collateral sold through any Originator or the Borrower, and their respective successors or assigns. The Administrative Agent shall deposit the net proceeds of any such sale in the Agent Account and such proceeds shall be applied against all or any part of the Borrower Obligations.

(c) Upon the completion of any sale under Section 9.01(b), the Borrower shall deliver or cause to be delivered to the purchaser or purchasers at such sale on the date thereof, or within a reasonable time thereafter if it shall be impracticable to make immediate delivery, all of the Borrower Collateral sold on such date, but in any event full title and right of possession to such property shall vest in such purchaser or purchasers upon the completion of such sale. Nevertheless, if so requested by the Administrative Agent or by any such purchaser, the Borrower shall confirm any such sale or transfer by executing and delivering to such purchaser all proper instruments of conveyance and transfer and releases as may be designated in any such request.

(d) At any sale under Section 9.01(b), any Lender, any Managing Agent or the Administrative Agent may bid for and purchase the property offered for sale and, upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability therefor.

(e) The Administrative Agent may (but in no event shall be obligated to) exercise, at the sole cost and expense of the Borrower, any and all rights and remedies of the Borrower under or in connection with the Borrower Assigned Agreements or the other Borrower Collateral, including any and all rights of the Borrower to demand or otherwise require payment of any amount under, or performance of any provisions of, the Borrower Assigned Agreements. Without limiting the foregoing, the Administrative Agent shall, upon the occurrence of any Event of Servicer Termination, have the right to name any Successor Servicer (including itself) pursuant to Article VIII of the Sale Agreement.

Section 9.02. Exercise of Remedies. No failure or delay on the part of the Administrative Agent, any Managing Agent or any Lender in exercising any right, power or privilege under this Agreement and no course of dealing between any Originator, the Borrower or the Servicer, on the one hand, and the Administrative Agent, any Managing Agent or any Lender, on the other hand, shall operate as a waiver of such right, power or privilege, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. The rights and remedies under this Agreement are cumulative, may be exercised singly or concurrently, and are not exclusive of any rights or remedies that the Administrative Agent, any Managing Agent or any Lender would otherwise have at law or in equity. No notice to or demand on any party hereto shall entitle such party to any other or further notice or demand in similar or other circumstances, or constitute a waiver of the right of the party providing such notice or making such demand to any other or further action in any circumstances without notice or demand.

Section 9.03. Power of Attorney. On the Closing Date, the Borrower shall execute and deliver a power of attorney substantially in the form attached hereto as Exhibit 9.03 (a “Power of Attorney”). The Power of Attorney is a power coupled with an interest and shall be irrevocable until this Agreement has terminated in accordance with its terms and all of the Borrower Obligations are indefeasibly paid or otherwise satisfied in full. The powers conferred on the Administrative Agent under each Power of Attorney are solely to protect the Liens of the Administrative Agent (on behalf of the Secured Parties) upon and interests in the Borrower Collateral and shall not impose any duty upon the Administrative Agent to exercise any such powers. The Administrative Agent shall not be accountable for any amount other than amounts that it actually receives as a result of the exercise of such powers and none of the Administrative Agent’s officers, directors, employees, agents or representatives shall be responsible to the Borrower, any Originator, the Servicer or any other Person for any act or failure to act, except to the extent of damages attributable to their own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction. The Administrative Agent covenants and agrees not to use the Power of Attorney except following a Termination Event and prior to the occurrence of the Termination Date.

Section 9.04. Continuing Security Interest. This Agreement shall create a continuing Lien in the Borrower Collateral until the date such security interest is released by the Administrative Agent.

ARTICLE X.

INDEMNIFICATION

Section 10.01. Indemnities by the Borrower.

(a) Without limiting any other rights that the Affected Parties or any of their respective officers, directors, employees, attorneys, agents, representatives, transferees, successors or assigns (each, an “Indemnified Person”) may have hereunder or under applicable law, the Borrower hereby agrees to indemnify and hold harmless each Indemnified Person from and against any and all Indemnified Amounts that may be claimed or asserted against or incurred by any such Indemnified Person in connection with or arising out of the transactions contemplated under this Agreement or under any other Related Document or any actions or failures to act in connection therewith, including any and all legal costs and expenses; *provided* that the Borrower shall not be liable for any indemnification to an Indemnified Person to the extent that any such Indemnified Amount (x) results from such Indemnified Person’s gross negligence, bad faith or willful misconduct, in each case as finally determined by a court of competent jurisdiction, (y) constitutes recourse for uncollectible or uncollected Transferred

Receivables as a result of the insolvency, bankruptcy or the failure (without cause or justification) or inability on the part of the related Obligor to perform its obligations thereunder or (z) results from the compliance or non-compliance of the transactions contemplated by the Related Documents with the Securitisation Regulations, including for the avoidance of doubt any increased cost or any reduction in rate of return on capital that is required or directed to be maintained by an Indemnified Person in relation to its interest in or exposure in respect of any Receivables (including by application of an additional risk weight pursuant to Article 270a of Regulation (EU) No. 575/2013, as amended). Without limiting the generality of the foregoing, the Borrower shall pay on demand to each Indemnified Person any and all Indemnified Amounts relating to or resulting from:

(i) reliance on any representation or warranty made or deemed made by the Borrower (or any of its officers) under or in connection with this Agreement or any other Related Document (without regard to any qualifications concerning the occurrence or non-occurrence of a Material Adverse Effect or similar concepts of materiality) or on any other information delivered by the Borrower pursuant hereto or thereto that shall have been incorrect when made or deemed made or delivered;

(ii) the failure by the Borrower to comply with any term, provision or covenant contained in this Agreement, any other Related Document or any agreement executed in connection herewith or therewith (without regard to any qualifications concerning the occurrence or non-occurrence of a Material Adverse Effect or similar concepts of materiality), any applicable law, rule or regulation with respect to any Transferred Receivable or the Contract therefor, or the nonconformity of any Transferred Receivable or the Contract therefor with any such applicable law, rule or regulation;

(iii) (1) the failure to vest and maintain vested in the Borrower valid and properly perfected title to and sole record and beneficial ownership of the Receivables that constitute Transferred Receivables, together with all Collections in respect thereof and all other Borrower Collateral, free and clear of any Adverse Claim, (2) the failure to maintain or transfer to the Administrative Agent, for the benefit of the Secured Parties, a first priority, perfected Lien in any portion of the Borrower Collateral or (3) any Specified Filing;

(iv) any dispute, claim, offset or defense of any Obligor (other than its discharge in bankruptcy) to the payment of any Transferred Receivable (including a defense based on such Receivable or the Contract therefor not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from the sale of the merchandise or services giving rise to such Receivable or the furnishing of or failure to furnish such merchandise or services or relating to collection activities with respect to such Receivable (if such collection activities were performed by any of its Affiliates acting as Servicer);

(v) any products liability claim or other claim arising out of or in connection with merchandise, insurance or services that is the subject of any Contract with respect to any Transferred Receivable;

(vi) the commingling of Collections with respect to Transferred Receivables by the Borrower at any time with its other funds or the funds of any other Person;

(vii) any failure by the Borrower to cause the filing of, or any delay in filing, financing statements or other similar instruments or documents under the UCC of any applicable jurisdiction or any other applicable laws with respect to any Transferred

Receivable hereunder or any other Borrower Collateral, whether at the time of the Borrower's acquisition thereof or any Advance made hereunder or at any subsequent time;

(viii) any investigation, litigation or proceeding related to this Agreement or the ownership of Transferred Receivables or Collections with respect thereto;

(ix) any failure of (x) a Collection Account Bank to comply with the terms of the applicable Collection Account Agreement, (y) a Concentration Account Bank to comply with the terms of the applicable Concentration Account Agreement, or (z) the Borrower Account Bank to comply with the terms of the Borrower Account Agreement;

(x) any amounts payable by the Administrative Agent to any Bank under any Account Agreement; or

(xi) any withholding, deduction or Charge imposed upon any payments with respect to any Transferred Receivable, any Borrower Assigned Agreement or any other Borrower Collateral.

(b) Any Indemnified Amounts subject to the indemnification provisions of this Section 10.01 not paid in accordance with Section 2.08 shall be paid by the Borrower to the Indemnified Person entitled thereto within five Business Days following demand therefor.

ARTICLE XI.

ADMINISTRATIVE AGENT

Section 11.01. Appointment and Authorization. Each Secured Party hereby irrevocably appoints, designates and authorizes the Administrative Agent and its applicable Managing Agent to take such action on its behalf under the provisions of this Agreement and each other Related Document and to exercise such powers and perform such duties as are expressly delegated to such Administrative Agent or Managing Agent, as applicable, by the terms of this Agreement and any other Related Document, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Related Document, no Administrative Agent or Managing Agent shall have any duties or responsibilities except those expressly set forth in this Agreement, nor shall the Administrative Agent or any Managing Agent have or be deemed to have any fiduciary relationship with any Secured Party, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Related Document or otherwise exist against any Administrative Agent or Managing Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement with reference to any Administrative Agent or Managing Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

Section 11.02. Delegation of Duties. The Administrative Agent and each Managing Agent may execute any of its duties under this Agreement or any other Related Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor

any Managing Agent shall be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects with reasonable care.

Section 11.03. Liability of Administrative Agent and Managing Agents. No Agent-Related Person shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Related Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct), or (b) be responsible in any manner to any Secured Party for any recital, statement, representation or warranty made by the Borrower, any Originator, the Parent or the Servicer, or any officer thereof, contained in this Agreement or in any other Related Document, or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent or such Managing Agent under or in connection with, this Agreement or any other Related Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Related Document, or for any failure of the Borrower, any Originator, the Parent, the Servicer or any other party to any Related Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Related Document, or to inspect the properties, books or records of the Borrower, any Originator, the Parent, the Servicer or any of their respective Affiliates.

Section 11.04. Reliance by the Administrative Agent and the Managing Agents. (a) The Administrative Agent and each Managing Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to the Borrower, any Originator, the Parent and the Servicer), independent accountants and other experts selected by the Administrative Agent or such Managing Agent. The Administrative Agent and each Managing Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Related Document unless it shall first receive such advice or concurrence of the Managing Agents or the Lenders in its Lender Group, as applicable, as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and each Managing Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Related Document in accordance with a request or consent of the Managing Agents or the Lenders in its Lender Group, as applicable, or, if required hereunder, all Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders.

(b) For purposes of determining compliance with the conditions specified in Article III on the Closing Date, each Lender that has executed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent by the Administrative Agent or any Managing Agent to such Lender for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to such Lender.

Section 11.05. Notice of Termination Event, Incipient Termination Event, Event of Servicer Termination or Incipient Servicer Termination Event. Neither the Administrative Agent nor any Managing Agent shall be deemed to have knowledge or notice of the occurrence of an Incipient Termination Event, Termination Event, Event of Servicer Termination or Incipient Servicer Termination Event, unless it has received written notice from a Lender or the Borrower referring to this Agreement, describing such Incipient Termination Event, Termination

Event, Event of Servicer Termination or Incipient Servicer Termination Event and stating that such notice is a “Notice of Termination Event or Incipient Termination Event” or “Notice of Incipient Servicer Termination Event or Event of Servicer Termination,” as applicable. Each Managing Agent will notify the Lenders in its Lender Group of its receipt of any such notice. The Administrative Agent and each Managing Agent shall (subject to Section 11.04) take such action with respect to such event as may be requested by the Managing Agents (or its Lenders in its Lender Group); *provided* that, unless and until the Administrative Agent shall have received any such request, the Administrative Agent (or Managing Agent) may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such event as it shall deem advisable or in the best interest of the Secured Parties or Lenders, as applicable.

Section 11.06. Credit Decision; Disclosure of Information. Each Secured Party acknowledges that none of the Agent-Related Persons has made any representation or warranty to it, and that no act by the Administrative Agent or any Managing Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of the Borrower, the Parent, the Servicer, the Originators or any of their respective Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Secured Party as to any matter, including whether the Agent-Related Persons have disclosed material information in their possession. Each Secured Party, including any Lender by assignment, represents to the Administrative Agent and its Managing Agent that it has, independently and without reliance upon any Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrower, the Parent, the Servicer, each Originator or their respective Affiliates, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower hereunder. Each Secured Party also represents that it shall, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Related Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrower, the Parent, the Servicer or the Originators. Except for notices, reports and other documents expressly herein required to be furnished to the Security Parties by the Administrative Agent or any Managing Agent herein, neither the Administrative Agent nor any Managing Agent shall have any duty or responsibility to provide any Secured Party with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of the Borrower, the Parent, the Servicer, any Originator or their respective Affiliates which may come into the possession of any of the Agent-Related Persons.

Section 11.07. Indemnification. Whether or not the transactions contemplated hereby are consummated, the Committed Lenders (or the Committed Lenders in the applicable Lender Group) shall indemnify upon demand each Agent-Related Person (to the extent not reimbursed by or on behalf of the Borrower and without limiting the obligation of the Borrower to do so), pro rata, and hold harmless each Agent-Related Person from and against any and all Indemnified Amounts incurred by it; *provided* that no Committed Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Amounts resulting from such Person’s gross negligence or willful misconduct, as finally determined by a court of competent jurisdiction; *provided* that no action taken by Administrative Agent (or any Managing Agent) in accordance with the directions of the Managing Agents (or the Lenders in its Lender Group) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 11.07. Without limitation of the foregoing, each Lender shall reimburse its Managing Agent, the Administrative Agent and each Letter of Credit Issuer upon demand for its ratable share of any costs or out-of-pocket expenses (including attorney’s fees) incurred in connection

with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Related Document, or any document contemplated by or referred to herein, to the extent that the Administrative Agent or such Managing Agent is not reimbursed for such expenses by or on behalf of the Borrower. The undertaking in this Section 11.07 shall survive payment on the Termination Date and the resignation or replacement of the Administrative Agent or such Managing Agent.

Section 11.08. Individual Capacity. The Administrative Agent and each Managing Agent (and any successor thereto in such capacity) and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire equity interests in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with any of the Borrower, the Parent, the Originators, the Servicer, or any of their Subsidiaries or Affiliates as though it were not the Administrative Agent, a Managing Agent or a Lender hereunder, as applicable, and without notice to or consent of the Secured Parties. The Secured Parties acknowledge that, pursuant to such activities, any such Person or its Affiliates may receive information regarding the Borrower, the Parent, the Originators, the Servicer or their respective Affiliates (including information that may be subject to confidentiality obligations in favor of such Person) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them. With respect to its Commitment, the Administrative Agent and each Managing Agent (and any successor thereto in such capacity) in its capacity as a Committed Lender hereunder shall have the same rights and powers under this Agreement as any other Committed Lender and may exercise the same as though it were not the Administrative Agent, a Managing Agent or a Committed Lender, as applicable, and the term “Committed Lender” shall, unless the context otherwise indicates, include the Administrative Agent and each Managing Agent in its individual capacity.

Section 11.09. Resignation. The Administrative Agent or any Managing Agent may resign upon thirty (30) days’ notice to the applicable Lenders. If the Administrative Agent resigns under this Agreement, the Requisite Lenders shall appoint, after consulting with the Parent, from among the Committed Lenders that are not Defaulting Lenders at such time a successor agent for the Secured Parties. If no successor agent is appointed prior to the effective date of the resignation of the Administrative Agent, the Administrative Agent may appoint, after consulting with the Lenders, a successor agent from among the Committed Lenders that are not Defaulting Lenders at such time. Upon the acceptance of its appointment as successor agent hereunder, such successor agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent and the term “Administrative Agent” shall mean such successor agent and the Administrative Agent’s appointment, powers and duties as Administrative Agent shall be terminated. After any retiring Administrative Agent’s resignation hereunder as Administrative Agent, the provisions of this Section 11.09 and Sections 11.03 and 11.07 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent under this Agreement. If no successor agent has accepted appointment as Administrative Agent by the date which is thirty (30) days following a retiring Administrative Agent’s notice of resignation, the retiring Administrative Agent’s resignation shall nevertheless thereupon become effective and the Committed Lenders shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Requisite Lenders appoint a successor agent as provided for above. If a Managing Agent resigns under this Agreement, the Lenders in such Lender Group shall appoint a successor agent.

Section 11.10. Payments by the Administrative Agent and the Managing Agents. Unless specifically allocated to a Committed Lender pursuant to the terms of this Agreement, all amounts received by the Administrative Agent or a Managing Agent on behalf of the Lenders shall be paid to the applicable Managing Agent or Lenders pro rata in accordance with amounts then due on the Business Day received, unless such amounts are received after 12:00 noon on

such Business Day, in which case the applicable agent shall use its reasonable efforts to pay such amounts on such Business Day, but, in any event, shall pay such amounts not later than the following Business Day.

Section 11.11. Setoff and Sharing of Payments. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuance of any Termination Event, each Lender and each holder of any Revolving Note is hereby authorized at any time or from time to time, without notice to the Borrower or to any other Person, any such notice being hereby expressly waived (but subject to Section 2.03(b)(i)), to set off and to appropriate and to apply any and all balances held by it at any of its offices for the account of the Borrower (regardless of whether such balances are then due to the Borrower) and any other properties or assets any time held or owing by that Lender or that holder to or for the credit or for the account of the Borrower against and on account of any of the Borrower Obligations which are not paid when due. Any Lender or holder of any Revolving Note exercising a right to set off or otherwise receiving any payment on account of the Borrower Obligations in excess of its Pro Rata Share thereof shall purchase for cash (and the other Lenders or holders shall sell) such participations in each such other Lender's or holder's Pro Rata Share of the Borrower Obligations as would be necessary to cause such Lender to share the amount so set off or otherwise received with each other Lender or holder in accordance with their respective Pro Rata Shares. The Borrower agrees, to the fullest extent permitted by law, that (a) any Lender or holder may exercise its right to set off with respect to amounts in excess of its Pro Rata Share of the Borrower Obligations and may sell participations in such amount so set off to other Lenders and holders and (b) any Lender or holders so purchasing a participation in the Advances made or other Borrower Obligations held by other Lenders or holders may exercise all rights of set off, bankers' lien, counterclaim or similar rights with respect to such participation as fully as if such Lender or holder were a direct holder of the Advances, and the other Borrower Obligations in the amount of such participation. Notwithstanding the foregoing, if all or any portion of the set-off amount or payment otherwise received is thereafter recovered from the Lender that has exercised the right of set-off, the purchase of participations by that Lender shall be rescinded and the purchase price restored without interest.

Section 11.12. Erroneous Payments.

(a) If the Administrative Agent notifies a Lender or Secured Party, or any Person who has received funds on behalf of a Lender or Secured Party (such Lender, Secured Party or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to), promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank

compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or Secured Party or any Person who has received funds on behalf of a Lender or Secured Party, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, repayment or prepayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender or Secured Party, or such other recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 11.12.

(c) Each Lender or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender or Secured Party under any Related Document, or otherwise payable or distributable by the Administrative Agent to such Lender or Secured Party from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who has received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Administrative Agent’s notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Advances (but not its Commitments) with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Advance”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Advances (but not the Commitments) of the Erroneous Payment Impacted Advance, the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment Agreement with respect to such Erroneous Payment Deficiency Assignment, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with

respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold an Advance (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Secured Party under the Related Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) Unless otherwise subsequently agreed in writing by the parties hereto, the parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Borrower Obligations owed by the Borrower or any other Credit Parties, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Credit Party for the purpose of making such Erroneous Payment (including, for the avoidance of doubt, the proceeds of any financing or contribution incurred or obtained by the Borrower or its Subsidiaries). To the extent that Erroneous Payments are made with funds of the Borrower or any of its Subsidiaries, the Borrower and its Subsidiaries maintain all rights and remedies against the maker and recipients of such Erroneous Payment for return of such funds.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including, without limitation, waiver of any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 11.12 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Borrower Obligations (or any portion thereof) under any Related Document.

ARTICLE XII.

MISCELLANEOUS

Section 12.01. Notices. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other parties, or whenever any of the parties desires to give or serve upon any other parties any communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration

or other communication shall be in writing and shall be deemed to have been validly served, given or delivered (a) upon the earlier of actual receipt and three Business Days after deposit in the United States Mail, registered or certified mail, return receipt requested, with proper postage prepaid, (b) upon transmission, when sent by email of the signed notice in PDF form or facsimile (with such email or facsimile promptly confirmed by delivery of a copy by personal delivery or United States Mail as otherwise provided in this Section 12.01), (c) one Business Day after deposit with a reputable overnight courier with all charges prepaid or (d) when delivered, if hand delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address or facsimile number set forth below or to such other address (or facsimile number) as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to any Person (other than any Lender, any Managing Agent and the Administrative Agent) designated in any written notice provided hereunder to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication. Notwithstanding the foregoing, whenever it is provided herein that a notice is to be given to any other party hereto by a specific time, such notice shall only be effective if actually received by such party prior to such time, and if such notice is received after such time or on a day other than a Business Day, such notice shall only be effective on the immediately succeeding Business Day.

Section 12.02. Binding Effect; Assignability.

(a) This Agreement shall be binding upon and inure to the benefit of the Borrower, each Lender, each Managing Agent, each Administrator and the Administrative Agent and their respective successors and permitted assigns. The Borrower may not assign, transfer, hypothecate or otherwise convey any of its rights or obligations hereunder or interests herein without the express prior written consent of the Requisite Lenders. Any such purported assignment, transfer, hypothecation or other conveyance by the Borrower without the prior express written consent of the Requisite Lenders shall be void.

(b) The Borrower hereby consents to any Lender's assignment or pledge of, and/or sale of participations in, at any time or times after the Effective Date of the Related Documents, Advances, and any Commitment or of any portion thereof or interest therein, including any Lender's rights, title, interests, remedies, powers or duties thereunder, whether evidenced by a writing or not, made in accordance with this Section 12.02(b). Any assignment by a Lender shall (i) require the execution of an assignment agreement (an "Assignment Agreement") substantially in the form attached hereto as Exhibit 12.02(b) or otherwise in form and substance satisfactory to the Administrative Agent, and acknowledged by the Administrative Agent, and the consent of the Administrative Agent and, so long as no Termination Event has occurred and is continuing, the Borrower (which consent shall not be unreasonably withheld or delayed and without limiting the foregoing right to not unreasonably withhold consent, may be withheld if the short-term unsecured debt rating of the proposed Lender is not at least "A-1" or the equivalent by S&P and "P-1" or the equivalent by Moody's at the time of such assignment); (ii) if a partial assignment, be in an amount at least equal to \$5,000,000 and, after giving effect to any such partial assignment, the assigning Committed Lender shall have retained Commitments in an amount at least equal to \$5,000,000; (iii) not be to a Defaulting Lender in a different Lender Group and (iv) require the delivery to the Administrative Agent by the assignee or participant, as the case may be, of any forms, certificates or other evidence with respect to United States tax withholding matters. In the case of an assignment by a Lender under this Section 12.02, the assignee shall have, to the extent of such assignment, the same rights, benefits and obligations as it would if it were a Lender hereunder. The assigning Lender shall be relieved of its obligations hereunder with respect to its Commitments or assigned portion thereof from and after the date of such assignment. The

Borrower hereby acknowledges and agrees that any assignment made in accordance with this Section 12.02(b), will give rise to a direct obligation of the Borrower to the assignee and that the assignee shall thereupon be a "Lender" for all purposes. In all instances, each Committed Lender's obligation to make Advances shall be several and not joint and shall be limited to such Committed Lender's Pro Rata Share of the applicable Commitment. In the event any Lender assigns or otherwise transfers all or any part of a Revolving Note, such Lender shall so notify the Borrower and the Administrative Agent and the Borrower shall, upon the request of such Lender, execute new Revolving Notes in exchange for the Revolving Notes being assigned and the Administrative Agent shall record the assignment or other transfer in the Register. No assignment or transfer of a Revolving Note shall be effective unless such assignment or transfer is recorded in the Register. Notwithstanding the foregoing provisions of this Section 12.02(b), any Lender may, without consent from or notice to the Borrower or any other party hereto, at any time pledge or assign all or any portion of such Lender's rights under this Agreement and the other Related Documents to any Federal Reserve Bank or any other central banking authority having jurisdiction over such Lender or to any holder or trustee of such Lender's securities; *provided* that no such pledge or assignment to any Federal Reserve Bank or any other central banking authority having jurisdiction over such Lender, holder or trustee shall release such Lender from such Lender's obligations hereunder or under any other Related Document and no such holder or trustee shall be entitled to enforce any rights of such Lender hereunder unless such holder or trustee becomes a Lender hereunder through execution of an Assignment Agreement as set forth above.

(c) In addition to the foregoing right, without notice to or consent from the Administrative Agent or the Borrower, (x) any Lender may assign to any of its Affiliates and any Discretionary Lender may assign to a Committed Lender or to a Program Support Provider all or a portion of its rights (but not its obligations) under the Related Documents, including a sale of any Advances or other Borrower Obligations hereunder and such Lender's right to receive payment with respect to any such Borrower Obligation; *provided* that no Committed Lender may make any such assignment pursuant to this Section 12.02(c) to any of its Affiliates that is an asset-backed commercial paper conduit that is not a party to this Agreement in the capacity of a Lender and (y) any Lender may sell participations to one or more Persons in or to all or a portion of its rights and obligations under the Related Documents (including all its rights and obligations with respect to the Advances); *provided* that (A) no such participant shall have a commitment, or be deemed to have made an offer to commit, to make Advances hereunder, and none shall be liable to any Person for any obligations of such Lender hereunder (it being understood that nothing in this Section 12.02(c) shall limit any rights the Lender may have as against such participant under the terms of the applicable option, sale or participation agreement between or among such parties); and (B) no holder of any such participation shall be entitled to require such Lender to take or omit to take any action hereunder except actions directly affecting (i) any reduction in the principal amount of, or interest rate or Fees payable with respect to, any Advance in which such holder participates, (ii) any extension of any scheduled payment of the principal amount of any Advance in which such holder participates or the final maturity date thereof, and (iii) any release of all or substantially all of the Borrower Collateral (other than in accordance with the terms of this Agreement or the other Related Documents). Solely for purposes of Sections 2.08, 2.09, 2.10, and 9.01, Borrower acknowledges and agrees that each such sale or participation shall give rise to a direct obligation of the Borrower to the participant and each such participant shall be considered to be a "Lender" for purposes of such sections. Except as set forth in the preceding sentence, such Lender's rights and obligations, and the rights and obligations of the other Lenders, the Managing Agents and the Administrative Agent towards such Lender under any Related Document shall remain unchanged and none of the Borrower, the Administrative Agent, any Managing Agent or any Lender (other than the Lender selling a participation) shall have any duty to any participant and may continue to deal solely with the assigning or selling Lender as if no such assignment or sale had occurred.

(d) Without limiting the foregoing, a Conduit Lender may, from time to time, with prior or concurrent notice to the Borrower, in one transaction or a series of transactions, assign all or a portion of its interest in the Advances and its rights and obligations under this Agreement and any other Related Documents to which it is a party to a Conduit Assignee; *provided* that (i) if the ratings of the Commercial Paper of such Conduit Assignee are not at least equal to the ratings of such Conduit Lender, then Borrower consent shall be required, and (ii) such assignment complies with Section 12.02(b) (other than not requiring the consent of the Borrower). Upon and to the extent of such assignment by a Conduit Lender to a Conduit Assignee, (i) such Conduit Assignee shall be the owner of the assigned portion of such interest, (ii) the related Administrator for such Conduit Assignee will act as the Administrator for such Conduit Assignee hereunder, with all corresponding rights and powers, express or implied, granted to the Administrator hereunder or under the other Related Documents, (iii) such Conduit Assignee (and any related commercial paper issuer, if such Conduit Assignee does not itself issue commercial paper) and their respective liquidity support provider(s) and credit support provider(s) and other related parties shall have the benefit of all the rights and protections provided to the Conduit Lender and its Program Support Provider(s) herein and in the other Related Documents (including any limitation on recourse against such Conduit Assignee or related parties, any agreement not to file or join in the filing of a petition to commence an insolvency proceeding against such Conduit Assignee, and the right to assign to another Conduit Assignee as provided in this paragraph), (iv) such Conduit Assignee shall assume all (or the assigned or assumed portion) of the Conduit Lender's obligations, if any, hereunder or any other Related Document, and the Conduit Lender shall be released from such obligations, in each case to the extent of such assignment, and the obligations of the Conduit Lender and such Conduit Assignee shall be several and not joint, (v) all distributions in respect of such interest in the Advances shall be made to the applicable Managing Agent or the related Administrator, as applicable, on behalf of the Conduit Lender and such Conduit Assignee on a pro rata basis according to their respective interests, (vi) the definition of the term "CP Rate" with respect to the portion of the Advances funded with commercial paper issued by the Conduit Lender from time to time shall be determined in the manner set forth in the definition of "CP Rate" applicable to the Conduit Lender on the basis of the interest rate or discount applicable to commercial paper issued by such Conduit Assignee (or the related commercial paper issuer, if such Conduit Assignee does not itself issue commercial paper) rather than the Conduit Lender, (vii) the defined terms and other terms and provisions of this Agreement and the other Related Documents shall be interpreted in accordance with the foregoing, (viii) the Conduit Assignee, if it shall not be a Lender already, shall deliver to the Administrative Agent, the Borrower and the Servicer, all applicable tax documentation reasonably requested by the Administrative Agent, the Borrower or the Servicer and (ix) if requested by the related Managing Agent or the related Administrator with respect to the Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the related Managing Agent or such Administrator may reasonably request to evidence and give effect to the foregoing. For the avoidance of doubt, no assignment by a Conduit Lender to a Conduit Assignee of all or any portion of its interest in the Advances shall in any way diminish the related Committed Lenders' obligations under Section 2.03 to fund any Advances not funded by the related Conduit Lender or such Conduit Assignee.

(e) In the event that a Conduit Lender makes an assignment to a Conduit Assignee in accordance with clause (d) above, the Related Committed Lenders: (i) if requested by the related Administrator, shall terminate their participation in the applicable Program Support Agreement to the extent of such assignment, (ii) if requested by the related Administrator, shall execute (either directly or through a participation agreement, as determined by such Administrator) the program support agreement related to such Conduit Assignee, to the extent of such assignment, the terms of which shall be substantially similar to those of the participation or other agreement entered into by such Committed Lender with respect to the applicable Program Support Agreement (or which shall be otherwise reasonably satisfactory to

the Administrator and the Related Committed Lenders), (iii) if requested by the related Conduit Lender, shall enter into such agreements as requested by such Conduit Lender pursuant to which they shall be obligated to provide funding to the Conduit Assignee on substantially the same terms and conditions as is provided for in this Agreement in respect of such Conduit Lender (or which agreements shall be otherwise reasonably satisfactory to such Conduit Lender and the Committed Lenders), and (iv) shall take such actions as the Administrative Agent shall reasonably request in connection therewith.

(f) Except as expressly provided in this Section 12.02, no Lender shall, as between the Borrower and that Lender, or between the Administrative Agent and that Lender, be relieved of any of its obligations hereunder as a result of any sale, assignment, transfer or negotiation of, or granting of a participation in, all or any part of the Advances, the Revolving Notes or other Borrower Obligations owed to such Lender.

(g) The Borrower shall assist any Lender permitted to sell assignments or participations under this Section 12.02 as reasonably required to enable the assigning or selling Lender to effect any such assignment or participation, including the execution and delivery of any and all agreements, notes and other documents and instruments as shall be reasonably requested and the participation of management in meetings with potential assignees or participants.

(h) A Lender may furnish any information concerning the Borrower, the Originators, the Servicer and/or the Receivables in the possession of such Lender from time to time to assignees and participants (including prospective assignees and participants). Each Lender shall obtain from all prospective and actual assignees or participants confidentiality covenants substantially equivalent to those contained in Section 12.05.

(i) The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain, or cause to be maintained, a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Advances owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Advances or other obligations under the Related Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit or its other obligations under any of the Related Documents) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations.

(j) Notwithstanding anything to the contrary herein, any Conduit Lender may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement (including rights to payment of principal and interest on such Conduit Lender's Advances) to any Conduit Trustee without notice to or consent of the Borrower (and without entering into an Assignment Agreement); *provided*, that no such pledge or assignment to any Conduit Trustee shall release such Conduit Lender from such Conduit Lender's obligations

hereunder or under any other Related Document or substitute any such Conduit Trustee for such Conduit Lender as a party hereto.

Section 12.03. Termination; Survival of Borrower Obligations Upon Facility Termination Date.

(a) This Agreement shall create and constitute the continuing obligations of the parties hereto in accordance with its terms, and shall remain in full force and effect until the Termination Date.

(b) Except as otherwise expressly provided herein or in any other Related Document, no termination or cancellation (regardless of cause or procedure) of any commitment made by any Affected Party under this Agreement shall in any way affect or impair the obligations, duties and liabilities of the Borrower or the rights of any Affected Party relating to any unpaid portion of the Borrower Obligations, due or not due, liquidated, contingent or unliquidated or any transaction or event occurring prior to such termination, or any transaction or event the performance of which is required after the Facility Termination Date. Except as otherwise expressly provided herein or in any other Related Document, all undertakings, agreements, covenants, warranties and representations of or binding upon the Borrower and all rights of any Affected Party hereunder, all as contained in the Related Documents, shall not terminate or expire, but rather shall survive any such termination or cancellation and shall continue in full force and effect until the Termination Date; *provided* that the rights and remedies provided for herein with respect to any breach of any representation or warranty made by the Borrower pursuant to Section 4.01(a), (c), (e), (j), (p), (r) and (v), Article IV, the indemnification and payment provisions of Article X and Sections 11.05, 12.05, 12.14 and 12.15 shall be continuing and shall survive the Termination Date.

Section 12.04. Costs, Expenses and Taxes. (a) The Borrower (failing whom, the Originators) shall reimburse the Administrative Agent, each Managing Agent and each Lender for all reasonable out of pocket expenses incurred in connection with the negotiation and preparation of this Agreement and the other Related Documents (including the reasonable fees and expenses of all of its special counsel, advisors, consultants and auditors retained in connection with the transactions contemplated thereby and advice in connection therewith). The Borrower shall reimburse each Lender, each Managing Agent and the Administrative Agent for all fees, costs and expenses, including the fees, costs and expenses of counsel or other advisors (including environmental and management consultants and appraisers) for advice, assistance, or other representation in connection with:

(i) the forwarding to the Borrower or any other Person on behalf of the Borrower by any Lender of any proceeds of Advances made by such Lender hereunder;

(ii) any amendment, modification or waiver of, consent with respect to, or termination of this Agreement or any of the other Related Documents or advice in connection with the administration hereof or thereof or their respective rights hereunder or thereunder;

(iii) any Litigation, contest or dispute (whether instituted by the Borrower, any Lender, any Managing Agent, the Administrative Agent or any other Person as a party, witness, or otherwise) in any way relating to the Borrower Collateral, any of the Related Documents or any other agreement to be executed or delivered in connection herewith or therewith, including any Litigation, contest, dispute, suit, case, proceeding or action, and any appeal or review thereof, in connection with a case commenced by or against the Borrower, the Servicer or any other Person that may be

obligated to any Lender, any Managing Agent or the Administrative Agent by virtue of the Related Documents, including any such Litigation, contest, dispute, suit, proceeding or action arising in connection with any work-out or restructuring of the transactions contemplated hereby;

(iv) any attempt to enforce any remedies of a Lender, a Managing Agent or the Administrative Agent against the Borrower, the Servicer or any other Person that may be obligated to them by virtue of any of the Related Documents, including any such attempt to enforce any such remedies in the course of any work-out or restructuring of the transactions contemplated hereby;

(v) any work-out or restructuring of the transactions contemplated hereby; and

(vi) efforts to (A) monitor the Advances or any of the Borrower Obligations, (B) evaluate, observe or assess the Originators, the Parent, the Borrower, or the Servicer or their respective affairs, and (C) verify, protect, evaluate, assess, appraise, collect, sell, liquidate or otherwise dispose of any of the Borrower Collateral;

including all reasonable attorneys' and other professional and service providers' fees arising from such services, including those in connection with any appellate proceedings, and all reasonable expenses, costs, charges and other fees incurred by such counsel and others in connection with or relating to any of the events or actions described in this Section 12.04, all of which shall be payable, on demand, by the Borrower (failing whom, the Originators) to the applicable Lender, the applicable Managing Agent or the Administrative Agent, as applicable. Without limiting the generality of the foregoing, such expenses, costs, charges and fees may include: reasonable fees, costs and expenses of accountants, environmental advisors, appraisers, investment bankers, management and other consultants and paralegals; court costs and expenses; photocopying and duplication expenses; court reporter fees, costs and expenses; long distance telephone charges; air express charges; telegram or facsimile charges; secretarial overtime charges; and expenses for travel, lodging and food paid or incurred in connection with the performance of such legal or other advisory services.

(b) In addition, the Borrower (failing whom, the Originators) shall pay on demand any and all stamp, court or documentary, intangible, recording, filing, sales, excise and similar taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, performance, enforcement or recording of this Agreement or any other Related Document, from the receipt or perfection of a security interest under, or otherwise with respect to, any Related Document, excluding taxes imposed on or measured by the net income, gross receipts or franchise taxes of any Affected Party by the jurisdictions under the laws of which such Affected Party is organized, tax resident or doing business or, in each case, by any political subdivisions thereof, and the Borrower (failing whom, each Originator) agrees to indemnify and save each Indemnified Person harmless from and against any and all liabilities with respect to or resulting from any delay or failure to pay such taxes and fees.

Section 12.05. Confidentiality.

(a) Except to the extent otherwise required by applicable law or as required to be filed publicly with the Securities and Exchange Commission, or unless the Administrative Agent shall otherwise consent in writing, the Borrower agrees to maintain the confidentiality of this Agreement (and all drafts hereof and documents ancillary hereto), in its communications with third parties other than any Affected Party or any Indemnified Person or any financial institution party to the Credit Agreement and otherwise not to disclose, deliver or otherwise make available to any third party (other than its directors, officers, employees, accountants or

counsel) the original or any copy of all or any part of this Agreement (or any draft hereof and documents ancillary hereto) except to an Affected Party or an Indemnified Person or any financial institution party to the Credit Agreement.

(b) The Borrower agrees that it shall not (and shall not permit any of its Affiliates to) issue any news release or make any public announcement pertaining to the transactions contemplated by this Agreement and the other Related Documents without the prior written consent of the Managing Agents and the Administrative Agent (which consent shall not be unreasonably withheld) unless such news release or public announcement is required by law, in which case the Borrower shall consult with the Administrative Agent and any Managing Agents specifically referenced therein prior to the issuance of such news release or public announcement. The Borrower may, however, disclose the general terms of the transactions contemplated by this Agreement and the other Related Documents to trade creditors, suppliers and other similarly-situated Persons so long as such disclosure is not in the form of a news release or public announcement.

(c) The Administrative Agent, each Managing Agent, each Administrator and each Lender agrees to maintain the confidentiality of the Information (as defined below), and will not use such confidential Information for any purpose or in any matter except in connection with this Agreement, except that Information may be disclosed (1) to (i) each Affected Party (ii) its and each Affected Party's and their respective Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential and to not disclose or use such Information in violation of Regulation FD (17 C.F.R. § 243.100-243.103)) and (iii) industry trade organizations for inclusion in league table measurements, (2) to any regulatory authority, (3) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (4) to any other party to this Agreement, (5) to the extent required in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (6) subject to an agreement containing provisions substantially the same as those of this Section 12.05, to any assignee of (or participant in), or any prospective assignee of (or participant in), any of its rights or obligations under this Agreement, (7) with the consent of the Borrower, (8) to any nationally recognized statistical rating organization rating a Conduit Lender's Commercial Paper, any dealer or placement agent of or depository for the Conduit Lender's Commercial Paper, any Administrator, any Program Support Provider, any credit/financing provider to any Conduit Lender or any of such Person's counsel or accountants in relation to this Agreement or any other Related Document if they agree to hold the Information confidential, (9) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 12.05 or any other confidentiality agreement to which it is party with the Borrower or the Parent or any subsidiary thereof or (ii) becomes available to the Administrative Agent, any Managing Agent, any Administrator or any Lender on a nonconfidential basis from a source other than the Parent or any subsidiary thereof or (10) to any Conduit Trustee. For the purposes of this Section 12.05, "Information" means all information received from the Borrower and Servicer relating to the Borrower, the Servicer, the Parent or any subsidiary thereof or their businesses, or any Obligor, other than any such information that is available to the Administrative Agent, any Managing Agent, any Administrator or any Lender on a nonconfidential basis prior to disclosure by Borrower or Servicer; *provided* that in the case of information received from the Borrower or Servicer after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 12.05 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(d) Notwithstanding anything to the contrary contained in this Agreement or in any of the Related Documents, each of the parties hereto acknowledges and agrees that each Managing Agent that has a Conduit Lender in its Lender Group may post to a secured password-protected internet website maintained by or on behalf of such Managing Agent and required by any Rating Agency rating the Commercial Paper of its related Conduit Lender in connection with Rule 17g-5, the following information: (a) a copy of this Agreement and the Related Documents (including any amendments hereto or thereto), (b) its monthly transaction surveillance reports, and (c) such other information as may be requested by such Rating Agency or required for compliance with Rule 17g-5.

Section 12.06. Complete Agreement; Modification of Agreement. This Agreement and the other Related Documents constitute the complete agreement among the parties hereto with respect to the subject matter hereof and thereof, supersede all prior agreements and understandings relating to the subject matter hereof and thereof, and may not be modified, altered or amended except as set forth in Section 12.07.

Section 12.07. Amendments and Waivers.

(a) Except for actions expressly permitted to be taken by the Administrative Agent, no amendment, modification, termination or waiver of any provision of this Agreement or any Revolving Note, or any consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Requisite Lenders or, to the extent required under clause (b) below, by all affected Lenders, and, to the extent required under clause (b) below, by the Administrative Agent and the applicable Managing Agents. Except as set forth in clause (b) below, all amendments, modifications, terminations or waivers requiring the consent of any Lenders without specifying the required percentage of Lenders shall require the written consent of the Requisite Lenders.

(b) No amendment, modification, termination or waiver shall, unless in writing and signed by each Lender directly affected thereby, do any of the following: (1) increase the principal amount of any Lender's Commitment; (2) reduce the principal of, rate of interest on or Fees payable with respect to any Advance made by any affected Lender; (3) extend any scheduled payment date or final maturity date of the principal amount of any Advance of any affected Lender; (4) waive, forgive, defer, extend or postpone any payment of interest or Fees as to any affected Lender; (5) change the percentage of the Aggregate Commitments or of the aggregate Outstanding Principal Amount which shall be required for Lenders or any of them to take any action hereunder; (6) release all or substantially all of the Borrower Collateral; (7) amend or waive this Section 12.07 or the definition of the term "Requisite Lenders" insofar as such definition affects the substance of this Section 12.07; (8) modify or waive Section 5.03(a), (b), (c) through (l), (o) or (p); (9) modify or waive Section 8.01(v); (10) modify any of the following definitions or component definitions thereof in a manner which would increase availability to the Borrower for Advances hereunder: "Borrowing Base," "Dynamic Advance Rate," "Interest Reserve," "Servicing Fee Reserve," or "Net Receivables Balance"; or (11) modify clause (b) of the definition of "Change of Control" or component definitions thereof. Furthermore, no amendment, modification, termination or waiver shall be effective to the extent that it affects the rights or duties of the Administrative Agent or any Managing Agent under this Agreement or any other Related Document unless in writing and signed by the Administrative Agent or such Managing Agent, as applicable.

Each amendment, modification, termination or waiver shall be effective only in the specific instance and for the specific purpose for which it was given. No amendment, modification, termination or waiver shall be required for the Administrative Agent to take additional Borrower Collateral pursuant to any Related Document. No amendment, modification, termination or waiver of any provision of any Revolving Note shall be effective

without the written concurrence of the holder of such Revolving Note. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 12.07 shall be binding upon each holder of a Revolving Note at the time outstanding and each future holder of a Revolving Note.

Neither the Administrative Agent, any Managing Agent nor any Lender shall waive any of the provisions set forth in Section 4.01(v) or Section 5.01(g) if such waiver would adversely affect the Ratings.

If required by any rating agency then rating the Commercial Paper of a Conduit Lender, the applicable Administrator shall provide to such rating agency copies of each material amendment to this Agreement or the other Related Documents (provided such rating agency agrees to hold such information confidential).

(c) [Reserved].

(d) Upon indefeasible payment in full in cash and performance of all of the Borrower Obligations (other than indemnification obligations under Section 10.01), termination of the aggregate Commitments of all Lenders and a release of all claims against the Secured Parties, and so long as no suits, actions, proceedings or claims are pending or threatened against any Indemnified Person asserting any damages, losses or liabilities that are Indemnified Liabilities, the Administrative Agent shall deliver to the Borrower termination statements and other documents necessary or appropriate to evidence the termination of the Liens securing payment of the Borrower Obligations.

Section 12.08. No Waiver; Remedies. The failure by any Lender, any Managing Agent or the Administrative Agent, at any time or times, to require strict performance by the Borrower or the Servicer of any provision of this Agreement, any Receivables Assignment or any other Related Document shall not waive, affect or diminish any right of any Lender, any Managing Agent or the Administrative Agent thereafter to demand strict compliance and performance herewith or therewith. Any suspension or waiver of any breach or default hereunder shall not suspend, waive or affect any other breach or default whether the same is prior or subsequent thereto and whether the same or of a different type. None of the undertakings, agreements, warranties, covenants and representations of the Borrower or the Servicer contained in this Agreement, any Receivables Assignment or any other Related Document, and no breach or default by the Borrower or the Servicer hereunder or thereunder, shall be deemed to have been suspended or waived by any Lender, any Managing Agent or the Administrative Agent unless such waiver or suspension is by an instrument in writing signed by an officer of or other duly authorized signatory of each applicable Managing Agent and the Administrative Agent and directed to the Borrower or the Servicer, as applicable, specifying such suspension or waiver. The rights and remedies of the Lenders, the Managing Agents and the Administrative Agent under this Agreement and the other Related Documents shall be cumulative and nonexclusive of any other rights and remedies that the Lenders, the Managing Agents and the Administrative Agent may have hereunder, thereunder, under any other agreement, by operation of law or otherwise. Recourse to the Borrower Collateral shall not be required.

Section 12.09. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL.

(a) **THIS AGREEMENT AND EACH OTHER RELATED DOCUMENT (EXCEPT TO THE EXTENT THAT ANY RELATED DOCUMENT EXPRESSLY PROVIDES TO THE CONTRARY) AND THE OBLIGATIONS ARISING HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS, INCLUDING ALL**

MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT OTHERWISE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES), EXCEPT TO THE EXTENT THAT THE PERFECTION, EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF THE ADMINISTRATIVE AGENT IN THE BORROWER COLLATERAL OR REMEDIES HEREUNDER OR THEREUNDER, IN RESPECT THEREOF, ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

(b) EACH PARTY HERETO HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN THE BOROUGH OF MANHATTAN IN NEW YORK CITY SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN THEM PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT; *PROVIDED* THAT EACH PARTY HERETO ACKNOWLEDGES THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF THE BOROUGH OF MANHATTAN IN NEW YORK CITY; *PROVIDED FURTHER* THAT NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE ANY LENDER, ANY MANAGING AGENT OR THE ADMINISTRATIVE AGENT FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO REALIZE ON THE BORROWER COLLATERAL OR ANY OTHER SECURITY FOR THE BORROWER OBLIGATIONS, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE LENDERS, THE MANAGING AGENTS OR THE ADMINISTRATIVE AGENT. EACH PARTY HERETO SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND EACH PARTY HERETO HEREBY WAIVES ANY OBJECTION THAT SUCH PARTY MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH PARTY AT THE ADDRESS PROVIDED FOR IN SECTION 12.01 HEREOF AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF SUCH PARTY'S ACTUAL RECEIPT THEREOF OR THREE DAYS AFTER DEPOSIT IN THE UNITED STATES MAIL, PROPER POSTAGE PREPAID. NOTHING IN THIS SECTION SHALL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

(c) BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX FINANCIAL TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND THE PARTIES WISH APPLICABLE STATE AND FEDERAL LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT THEIR DISPUTES BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF

THE JUDICIAL SYSTEM AND OF ARBITRATION, THE PARTIES HERETO WAIVE TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW 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 ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 12.10. Counterparts. This Agreement may be executed and delivered (including by facsimile or electronic mail) in any number of separate counterparts, each of which shall collectively and separately constitute one agreement.

Section 12.11. Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 12.12. Section Titles. The section, titles and table of contents contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

Section 12.13. Further Assurances.

(a) The Borrower shall, or shall cause the Servicer to, at its sole cost and expense, upon request of any of the Lenders or the Managing Agents, promptly and duly execute and deliver any and all further instruments and documents and take such further action that may be necessary or desirable or that any of the Lenders, the Managing Agents or the Administrative Agent may request to (i) perfect, protect, preserve, continue and maintain fully the Liens granted to the Administrative Agent for the benefit of the Secured Parties under this Agreement, (ii) enable the Lenders, the Managing Agents or the Administrative Agent to exercise and enforce its rights under this Agreement or any of the other Related Documents or (iii) otherwise carry out more effectively the provisions and purposes of this Agreement or any other Related Document. Without limiting the generality of the foregoing, the Borrower shall, upon request of any of the Lenders, the Managing Agents or the Administrative Agent, (A) execute and file such financing or continuation statements, or amendments thereto or assignments thereof, and such other instruments or notices that may be necessary or desirable or that any of the Lenders, the Managing Agents or the Administrative Agent may request to perfect, protect and preserve the Liens granted pursuant to this Agreement, free and clear of all Adverse Claims, (B) mark, or cause the Servicer to mark, each Contract evidencing each Transferred Receivable with a legend, acceptable to each Lender, the Managing Agents and the Administrative Agent evidencing that the Borrower has purchased such Transferred Receivables and that the Administrative Agent, for the benefit of the Secured Parties, has a security interest in and lien thereon, (C) mark, or cause the Servicer to mark, its master data processing records evidencing such Transferred Receivables with such a legend and (D) notify or cause the Servicer to notify Obligors of the Liens on the Transferred Receivables granted hereunder.

(b) Without limiting the generality of the foregoing, the Borrower hereby authorizes the Lenders and the Administrative Agent, and each of the Lenders hereby authorizes the Administrative Agent, to file one or more financing or continuation statements, or amendments thereto or assignments thereof, relating to all or any part of the Transferred Receivables, including Collections with respect thereto, or the Borrower Collateral without the

signature of the Borrower or, as applicable, the Lenders, as applicable, to the extent permitted by applicable law. The Borrower hereby agrees that such financing statements may described “all assets in which the debtor now or hereafter has rights” as the Borrower Collateral in which the Administrative Agent has a grant of security hereunder. A carbon, photographic or other reproduction of this Agreement or of any notice or financing statement covering the Transferred Receivables, the Borrower Collateral or any part thereof shall be sufficient as a notice or financing statement where permitted by law.

Section 12.14. No Proceedings. Each of Administrative Agent, each Managing Agent, each Administrator and each Lender agrees that, from and after the Closing Date and until the date one year plus one day following the Termination Date, it will not, directly or indirectly, institute or cause to be instituted against the Borrower any proceeding of the type referred to in Sections 8.01(d) and 8.01(e). This Section 12.14 shall survive the termination of this Agreement.

Section 12.15. Limitation on Payments. Notwithstanding any provision in any other section of this Agreement to the contrary, the obligation of the Borrower to pay any amounts payable to Lender or any other Affected Party pursuant to Sections 2.09, 2.10 and 10.01 of this Agreement shall be without recourse to the Borrower except as to any Collections and other amounts and/or proceeds of the Transferred Receivables (collectively, the “Available Amounts”) required to be distributed to the Lenders, to the extent that such amounts are available for distribution. In the event that amounts payable to a Lender or any other Affected Party pursuant to this Agreement exceed the Available Amounts, the excess of the amounts due hereunder over the Available Amounts paid shall not constitute a “claim” under Section 101(5) of the Bankruptcy Code against the Borrower until such time as the Borrower has Available Amounts. The foregoing shall not operate to limit the rights of the Administrative Agent or any other Affected Party to enforce any claims of Borrower or its assigns against the Originators under the Sale Agreement or any other Related Document.

Section 12.16. Limited Recourse. The obligations of the Secured Parties under this Agreement and all Related Documents are solely the corporate obligations of each such Secured Party. No recourse shall be had for the payment of any amount owing in respect of Advances or for the payment of any fee hereunder or any other obligation or claim arising out of or based upon this Agreement or any other Related Document against any Stockholder, employee, officer, director, agent or incorporator of such Secured Party. No Conduit Lender shall, nor shall be obligated to, pay any amount pursuant to the Related Documents unless such Conduit Lender has received funds which may be used to make such payment pursuant to such Conduit Lender’s commercial paper program documents. Any amount which such Conduit Lender does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or an obligation of such Conduit Lender for any insufficiency unless and until such Conduit Lender satisfies the provisions of such preceding sentence. This Section 12.16 shall survive the termination of this Agreement.

Section 12.17. Agreement Not to Petition. Each party hereto agrees, for the benefit of the holders of the privately or publicly placed indebtedness for borrowed money for any of the Discretionary Lenders, not, prior to the date which is one (1) year and one (1) day after the payment in full of all such indebtedness, to acquiesce, petition or otherwise, directly or indirectly, invoke, or cause such Discretionary Lender to invoke, the process of any Governmental Authority for the purpose of (a) commencing or sustaining a case against the such Discretionary Lender under any federal, provincial or state bankruptcy, insolvency or similar law (including any Debtor Relief Laws), (b) appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official for such Discretionary Lender, or any substantial part of its property, or (c) ordering the winding up or liquidation of the affairs of such

Discretionary Lender. The provisions of this Section 12.17 shall survive the termination of this Agreement.

Section 12.18. USA Patriot Act and Beneficial Ownership Rule. Each of the Administrative Agent and the Lenders hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act, the Administrative Agent and the Lenders may be required to obtain, verify and record information that identifies the Borrower, which information includes the name, address, tax identification number and other information regarding the Borrower that will allow the Administrative Agent and the Lenders to identify the Borrower in accordance with the USA Patriot Act. This notice is given in accordance with the requirements of the USA Patriot Act. The Borrower agrees to promptly respond to any KYC Request and provide the Administrative Agent and each Lender, from time to time, with all documentation and other information required by bank regulatory authorities under “know your customer” and anti-money laundering rules and regulations, including, without limitation, the USA Patriot Act and the Beneficial Ownership Rule.

Section 12.19. Acknowledgement Regarding Any Supported QFCs. To the extent that the Related Documents provide support, through a guarantee or otherwise, for any swap contract or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a defaulting Purchaser or Agent shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 12.19, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

Section 12.20. Post-Closing Covenants.

(a) Not later than sixty (60) days following the Closing Date (or such later date consented to in writing by the Administrative Agent), Borrower and the Servicer shall instruct each Obligor with respect to the Excluded Receivables expressly identified in the Fee Letter to cease remitting payments with respect to the Excluded Receivables to any Lockbox, any Collection Account or any Concentration Account and thereafter Borrower and the Servicer shall use commercially reasonable efforts to ensure that no collections on Excluded Receivables are deposited into any Lockbox, any Collection Account or any Concentration Account.

(b) Notwithstanding anything to the contrary set forth in this Agreement or any other Transaction Document, the failure of the Borrower or the Servicer to timely perform its respective obligations under this Section 12.20 shall constitute an immediate Termination Event under this Agreement with no grace period.

Section 12.21. Rebalancing.

(a) As of the date hereof and prior to giving effect to this Section 12.21, the Outstanding Principal Amount of each Lender is set forth in Part I of Schedule 12.21. In connection with this Agreement, the parties hereto desire to reallocate the outstanding Advances hereunder such that, after giving effect thereto, each Lender Group’s share of outstanding Advances will equal the aggregate Pro Rata Share of the Commitments of the Committed Lenders in such Lender’s Group. The Administrative Agent shall provide notice to each Lender which is required to fund any amount or receive any partial repayment in connection therewith.

(b) In connection with such rebalancing, each applicable assignor Managing Agent, on behalf of the Lenders in such assignor Managing Agent’s Lender Group, hereby irrevocably sells, transfers, conveys and assigns, without recourse, representation or warranty (except as set forth in clause (d) below), to each applicable assignee Managing Agent, and each assignee Managing Agent, on behalf of the Lenders in such assignee Managing Agent’s Lender Group, hereby irrevocably purchases from each applicable assignor Managing Agent, on behalf of the Lenders in such applicable assignor Managing Agent’s Lender Group, the rights and obligations of the applicable assignor Managing Agent and the Lenders in such applicable assignor Managing Agent’s Lender Group under this Agreement and each other Related Document in respect of the Outstanding Principal Amount attributable to the Lenders in such applicable assignor Managing Agent’s Lender Group such that, after giving effect to the foregoing assignments and delegations, the Outstanding Principal Amount attributable to the Lenders in each Managing Agent’s Lender Group for purposes of this Agreement and each other Related Document shall be as set forth in Part II of Schedule 12.21.

(c) Each applicable Lender shall make available to the Administrative Agent the amount of funds required to be funded by such Lender in connection with clause (b) above

in same day funds by wire transfer to the Agent Account. Promptly following receipt thereof, the Administrative Agent will remit to any applicable Lender its applicable portion of such amount. In connection with this clause (c) the provisions of Section 2.03(c) shall apply. Each of the Lenders hereby acknowledges and agrees that for administrative convenience, the Administrative Agent may net amounts payable to the Lenders under the Fee Letter on the date hereof with amounts payable under this Section 12.21.

(d) Each Lender party hereto hereby represents and warrants that it is the legal and beneficial owner of the interest being assigned by it pursuant to clause (b) above and that such interest is free and clear of any Adverse Claim granted or created by or through such Lender.

(e) In connection with such repayment made with respect to the reallocations set forth above, the Borrower shall pay all interest and fees due on the amount repaid to the date of repayment on the immediately following Settlement Date.

ARTICLE XIII.

EXTENSIONS AND RELACEMENT OF LENDERS

Section 13.01. Extension of Final Advance Date; Non-Renewing Committed Lenders. Not more than ninety (90) days or less than seventy-five (75) days prior to the then current Final Advance Date, the Borrower may request an extension thereof for an additional period not to exceed 364 days. Each Committed Lender will deliver to the Borrower at least sixty (60) days prior to the then current Final Advance Date a non-binding indication of whether it intends to consent to such extension. Any failure of a Committed Lender to respond by the sixtieth day preceding such Final Advance Date shall constitute a refusal to consent to such an extension. If at any time the Borrower requests that the Committed Lenders renew their Commitments hereunder and some but less than all the Committed Lenders consent to such renewal, the Borrower may arrange for an assignment, and such non-consenting Committed Lenders shall agree to assign, to one or more financial institutions acceptable to the related Conduit Lender and the Borrower of all the rights and obligations hereunder of each such non-consenting Committed Lender in accordance with this Agreement. Any such assignment shall become effective on the then-current Final Advance Date. Each Committed Lender which does not so consent to any renewal shall cooperate fully with the Borrower in effectuating any such assignment. If none or less than all the Commitments of the non-renewing Committed Lenders are so assigned as provided above, then the Final Advance Date shall not be extended.

Section 13.02. Replacement of Lenders.

(a) Affected Lender. Following a demand by the Administrative Agent or a Managing Agent (whether on behalf of a Lender (an "Affected Lender"), its related Program Support Provider or any other Affected Party in such Affected Lender's Lender Group) for payment of any amounts under Section 2.09, the Borrower may elect to replace such Affected Lender as a Lender party to this Agreement with an assignee Lender procured by the Borrower, *provided* that no Incipient Termination Event or Termination Event shall have occurred and be continuing at the time of such replacement; and *provided further* that, concurrently with such replacement, such assignee Lender shall agree to purchase for cash the Advances and all other rights of, and obligations due to, the Affected Lender hereunder pursuant to an Assignment Agreement and to become a Lender for all purposes under this Agreement and to assume all obligations of the Affected Lender to be terminated as of such date. Any such Affected Lender shall assign its rights and interests hereunder, such assignment to be effected in compliance with the requirements of Section 12.02. In the event that such an assignment occurs, the assignee Lender (i) if requested by the applicable Administrator, shall execute (either directly or through

a participation agreement, as determined by the Administrator) a Program Support Agreement related to the applicable Conduit Lender, to the extent of such assignment, the terms of which shall be substantially similar to those of the participation or other agreement by the assigning Affected Lender with respect to the applicable Program Support Agreement (or which shall be otherwise reasonably satisfactory to the applicable Administrator), it being understood that the assignee Lender shall not be required to execute a Program Support Agreement if its Lender Group does not include a Conduit Lender, and (ii) shall take such actions as the Administrative Agent and the Managing Agents shall reasonably request in connection therewith. For so long as the sum of the Commitments of any Affected Lenders under this Section 13.02 is equal to or less than 50% of the Aggregate Commitments, each such Affected Lender shall use commercially reasonable efforts to assign its rights and interests hereunder to any Person identified by the Borrower as a potential assignee Lender hereunder.

(b) Replacement of Conduit Lenders. If the average CP Rate with respect to any Conduit Lender over any three consecutive Interest Periods exceeds the average Funding Rate Index over the corresponding three consecutive Interest Periods by more than the greater of (A) 20.0% of the average Funding Rate Index over such three consecutive Interest Periods or (B) 0.20%, the Borrower may elect to replace such Conduit Lender and the other parties to its Lender Group (the "Affected Group") with one or more assignees procured by the Borrower, *provided* that no Incipient Termination Event or Termination Event shall have occurred and be continuing at the time of such replacement; and *provided further* that, concurrently with such replacement, such assignee Lender or Lenders shall agree to purchase for cash the Advances and all other rights of, and obligations due to, the Affected Group hereunder pursuant to an Assignment Agreement and to become a Lender for all purposes under this Agreement and to assume all obligations of the Affected Group to be terminated as of such date. Any such Affected Group shall assign its rights and interests hereunder, such assignment to be effected in compliance with the requirements of Section 12.02. In the event that such an assignment occurs, the assignee Lender or Lenders shall take such actions as the Administrative Agent and the Managing Agents shall reasonably request in connection therewith. For so long as the sum of the Commitments of any Affected Group under this Section 13.02 is equal to or less than 50% of the Aggregate Commitments, each such Affected Group shall use commercially reasonable efforts to assign its rights and interests hereunder to any Person identified by the Borrower as a potential assignee Lender hereunder.

(c) Replacement of Defaulting and Non-Consenting Lenders. If (i) any Lender is a Defaulting Lender or a Non-Consenting Lender or (ii) any Lender or any Affiliate of a Lender is a "Defaulting Lender" (as defined in the Credit Agreement) under the Credit Agreement, then, the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender or all members in the Lender Group of such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions in Section 12.02), all of its or their interests, rights and obligations hereunder and under the Related Documents to a Person that shall assume such obligation (which assignee may be a Lender from another Lender Group if such other Lender accepts such assignment); provided that:

(i) each such assignment shall be arranged by the Borrower after consultation with the Administrative Agent and shall be either an assignment of all of the rights and obligations of the assigning Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments that together cover all of the rights and obligations of the assigning Lender under this Agreement;

(ii) no Lender shall be obligated to make any such assignment unless and until such Lender shall have received one or more payments from either the

Borrower or one or more assignees permitted under Section 12.02 in an aggregate amount equal to the principal balance of all Advances held by such Lender and all accrued interest and Fees with respect thereto and all other amounts payable to such Lender through the date of sale;

(iii) in the case of any assignment and delegation resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent;

(iv) such assignment is in compliance with all federal, state, provincial and local laws and regulations applicable to such assignment or the Related Documents;

(v) the Borrower shall be permitted to replace any Lender which is the Administrative Agent or an Affiliate thereof only, if, in either case, the Administrative Agent is also replaced contemporaneously, pursuant to documents reasonably satisfactory to the Administrative Agent and the Administrative Agent has received payment of an amount equal to all amounts then due and payable to the Administrative Agent hereunder and under each of the other Related Document; and

(vi) no Incipient Termination Event or Termination Event shall have occurred and be continuing.

A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver or consent by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation have ceased to apply.

ARTICLE XIV.

EUROPEAN PROVISIONS.

Section 14.01. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Related Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Related Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Related Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

Section 14.02. Securitisation Regulations; Information.

(a) Securitisation Regulations. Parent hereby represents, warrants and agrees for the benefit of the Administrative Agent and the Lenders on the date hereof until the Termination Date that:

(i) Parent, as originator for purposes of the Securitisation Regulations, shall retain, on an ongoing basis, a material net economic interest in the Receivables in an amount not less than 5% of the nominal value of the Receivables in the form of a first loss tranche determined in accordance with sub-paragraph (d) of Article 6(3) of each Securitisation Regulation, as supplemented by Article 8 of the CRR Part Five RTS, in each case as in effect and as applicable as of the date hereof, which material economic interest shall be based upon (1) Parent's ownership of all of the membership interest of the Borrower and ownership of the Subordinated Note issued by the Borrower to Parent, and (2) the Borrower's right to receive payments under Section 2.08(c)(vii) (the "Retained Interest"). The Retained Interest shall be measured as of the Closing Date and the last date of each Settlement Period. Nothing in this clause (a)(i) will be taken to mean for purposes of the Securitisation Regulation, compliance with this Section 14.02, or otherwise, that the Parent is the sole transferor of the Receivables to the Borrower, and for avoidance of doubt, the Receivables will be transferred as set out herein and in the Related Documents (without prejudice to the current and future retention that may be made in connection with a relevant ABCP Programme for the purpose of compliance with Article 6 of the Securitisation Rules).

(ii) Parent shall not change the manner in which it retains or the method of calculating the Retained Interest, except to the extent permitted under the Securitisation Regulation Rules;

(iii) Each of Parent and the Borrower shall not, and shall not permit any of its Affiliates to, hedge or otherwise mitigate its credit risk under, or associated with the Retained Interest or, sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from, the Retained Interest, except to the extent permitted under the Securitisation Regulation Rules;

(iv) Parent shall provide ongoing confirmation as to the continued compliance with the foregoing clauses (i) through (iii) above (A) by providing such confirmation to the Servicer on a monthly basis for inclusion in each Monthly Report, (B) promptly following the occurrence of any Termination Event or Incipient Termination Event and (C) from time to time promptly upon written request by the Administrative Agent (on behalf of any Lender) in connection with any material change in the performance of the Receivables or the transaction contemplated by the Related Documents or any material breach of the Related Documents;

(v) Parent shall notify the Administrative Agent and each Lender promptly and in any event within five (5) Business Days of: (A) any change in the identity of the Person or Persons, if any, through which it is retaining and holding such Retained Interest or (B) any breach of clause (i) through (iii) above;

(vi) Parent (A) was not established for, and does not operate for, the sole purpose of securitizing exposures, (B) has a strategy and the capacity to meet

payment obligations consistent with a broader business model that involves material support from capital, assets, fees or other income available to Parent, by virtue of which Parent does not rely on the Receivables and any other exposures being securitised by Parent, on the Retained Interest or on any other interests retained or proposed to be retained in accordance with the Securitisation Regulation Rules, or any corresponding income from such exposures and interests as its sole or predominant source of revenue, and (C) has responsible decision-makers who have the required experience to enable Parent to pursue its established business strategy, as well as adequate corporate governance arrangements;

(vii) Parent (or, as to any Receivable as to which Parent is not the originator, the relevant originator) applied to any Receivables, and will apply to any future Receivables, the same sound and well-defined criteria for credit-granting which it applied to non-securitised receivables and the same clearly established processes for approving, amending, modifying, refinancing or renewing the Receivables have been, and will be, applied and it has, and will have, effective systems in place to apply those criteria and processes to ensure that the credit-granting is based on a thorough assessment of each Obligor's creditworthiness, taking appropriate account of factors relevant to verifying the prospect of such Obligor meeting its obligations under the relevant Contract;

(viii) the credit underwriting policies for Parent and the standard terms and conditions for the granting of credit by Parent are established and implemented by Parent, such that Parent has been, and with respect to future Receivables will be, directly or indirectly involved in the origination of the Receivables that have been, and in the case of any future Receivables, will be, extended to the Obligors by Parent which created and will create the obligations and potential obligations of the Obligors giving rise to such Receivables, and Parent has established and is managing the securitisation contemplated by the Related Documents and therefore is the retention requirement may be fulfilled in full by Parent as a single 'originator' as defined in the Securitisation Regulations (it being understood and agreed, however, that nothing in this clause (a)(viii) will be construed for purposes of the Securitisation Regulation, compliance with this Section 14.02, or otherwise, as meaning the Parent is the sole transferor of the Receivables to the Borrower, and all Receivables will be transferred as set out herein and in the Related Documents); and

(ix) none of the Receivables is a securitisation position (as defined in the Securitisation Regulations).

(b) Information. Parent covenants that it shall, and shall procure (but only in respect of clause (i) below) that any Originator shall, as the case may be, from time to time at first request by the Administrative Agent, any Lender or any Managing Agent, to the extent commercially practicable (i) promptly provide to the Administrative Agent, such Lender and such Managing Agent all information which the Administrative Agent, such Lender or such Managing Agent reasonably requests in order for the Administrative Agent, such Lender or such Managing Agent (or any of their Affiliates), as applicable, to comply with any of its obligations under the Securitisation Regulations (provided that, (x) where any such information is subject to confidentiality restrictions, Parent shall (and shall procure that any Originator shall, as the case may be) use reasonable efforts to obtain consent for the disclosure of such information and (y) the Parent will provide information in relation to Article 7 of the Securitisation Regulations only as set out and agreed herein, such as provided within the Monthly, or Weekly Report and will not provide such information in the form specified by the Securitisation Regulations) and (ii) take such further action, provide such further information and enter into such other agreements not otherwise provided for hereunder as may be

reasonably required by the Administrative Agent, any Lender or any Managing Agent in order for the Administrative Agent, such Lender or such Managing Agent (or any of their Affiliates) to comply with its obligations under the Securitisation Regulations in relation to the Related Documents and the transactions contemplated thereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Fifth Amended and Restated Receivables Funding and Administration Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

SIT FUNDING CORPORATION,
as the Borrower

By: _____
Name:
Title:

TD SYNnex CORPORATION,
as the Servicer

By: _____
Name:
Title:

MUFG LENDER GROUP:

MUFG BANK, LTD., as Administrator for Victory Receivables Corporation, as Managing Agent for the MUFG Lender Group and as the MUFG Committed Lender

By:____
Name:
Title:

VICTORY RECEIVABLES CORPORATION, as the MUFG Discretionary Lender

By:____
Name:
Title:

BNS LENDER GROUP:

THE BANK OF NOVA SCOTIA,

as Administrator for Liberty Street Funding LLC, as Managing Agent for the BNS Lender Group and as the BNS Committed Lender

By: _____
Name:
Title:

LIBERTY STREET FUNDING LLC,

as the BNS Discretionary Lender

By: _____
Name:
Title:

SMBC LENDER GROUP:

SMBC NIKKO SECURITIES AMERICA, INC., as Administrator for Manhattan Asset Funding Company LLC and as Managing Agent for the SMBC Lender Group

By:____
Name:
Title:

MANHATTAN ASSET FUNDING COMPANY LLC, as the SMBC Discretionary Lender

By: MAF Receivables Corp., its Sole Member

By:____
Name:
Title:

SUMITOMO MITSUI BANKING CORPORATION, as the SMBC Committed Lender

By:____
Name:
Title:

BANA LENDER GROUP:

BANK OF AMERICA, N.A., as Managing Agent for the BANA Lender Group and as the
BANA Committed Lender

By: _____
Name:
Title:

WELLS LENDER GROUP:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Managing Agent for the Wells Lender Group and as the Wells Committed Lender

By:____
Name:
Title:

TD LENDER GROUP:

THE TORONTO-DOMINION BANK,

as Administrator for Reliant Trust, as Managing Agent for the TD Lender Group and as the TD Committed Lender

By: _____
Name:
Title:

COMPUTERSHARE TRUST COMPANY OF CANADA, in its capacity as trustee of **RELIANT TRUST**, by its U.S. Financial Services Agent, **THE TORONTO-DOMINION BANK**, as the TD Discretionary Lender

By: _____
Name:
Title:

ADMINISTRATIVE AGENT:

THE TORONTO-DOMINION BANK, as Administrative Agent

By: _____
Name:
Title:

CRÉDIT AGRICOLE LENDER GROUP:

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Administrator for Atlantic Asset Securitization LLC, as Managing Agent for the Crédit
Agriculture Lender Group and as the Crédit Agricole Committed Lender

By: _____
Name:
Title:

ATLANTIC ASSET SECURITIZATION LLC,
as the Crédit Agricole Discretionary Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

PNC LENDER GROUP:

PNC BANK, NATIONAL ASSOCIATION, as Managing Agent for the PNC Lender Group
and as the PNC Committed Lender

By: _____
Name:
Title:

MIZUHO LENDER GROUP:

MIZUHO BANK, LTD., as Managing Agent for the Mizuho Lender Group and as the Mizuho Committed Lender

By:____
Name:
Title:

FORM OF REVOLVING NOTE

\$ _____, 20[]

FOR VALUE RECEIVED, the undersigned, SIT FUNDING CORPORATION, a Delaware corporation (the "Borrower"), HEREBY PROMISES TO PAY to [] or its registered assigns (the "Lender"), at the offices of THE TORONTO-DOMINION BANK, as agent for the Lenders (the "Administrative Agent"), at its address at [], or at such other place as the Administrative Agent may designate from time to time in writing, in lawful money of the United States of America and in immediately available funds, the amount of [] DOLLARS AND NO CENTS (\$[]) or, if less, the aggregate unpaid amount of all Advances made to the undersigned under the "Funding Agreement" (as hereinafter defined). All capitalized terms used but not otherwise defined herein have the meanings given to them in the Funding Agreement or in Annex X thereto.

This Revolving Note is one of the Revolving Notes issued pursuant to that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 by and among the Borrower, TD Synnex Corporation, a Delaware corporation, the Lender (and any other "Lender" party thereto), the other parties thereto, and the Administrative Agent (including all annexes, exhibits and schedules thereto, and as from time to time amended, restated, supplemented or otherwise modified, the "Funding Agreement"), and is entitled to the benefit and security of the Funding Agreement and all of the other Related Documents referred to therein. Reference is hereby made to the Funding Agreement for a statement of all of the terms and conditions under which the Advances evidenced hereby are made and are to be repaid. The date and amount of each Advance made by the Lender to the Borrower, the rates of interest applicable thereto and each payment made on account of the principal thereof, shall be recorded by the Administrative Agent on its books; *provided* that the failure of the Administrative Agent to make any such recordation shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Funding Agreement or this Revolving Note in respect of the Advances actually made by the Lender to the Borrower.

The principal amount of the indebtedness evidenced hereby shall be payable in the amounts and on the dates specified in the Funding Agreement, the terms of which are hereby incorporated herein by reference. Interest thereon shall be paid until such principal amount is paid in full at such interest rates and at such times, and pursuant to such calculations, as are specified in the Funding Agreement.

If any payment on this Revolving Note becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension.

Upon and after the occurrence of any Termination Event, this Revolving Note may, as provided in the Funding Agreement, and without demand, notice or legal process of any kind, be declared, and immediately shall become, due and payable.

Time is of the essence of this Revolving Note. Demand, presentment, protest and notice of nonpayment and protest are hereby waived by the Borrower.

Except as provided in the Funding Agreement, this Revolving Note may not be assigned by the Lender to any Person. If this Revolving Note is assigned, the Lender shall, upon

the effectiveness of an assignment or as promptly thereafter as practicable, surrender this Revolving Note to the Administrative Agent for cancellation, and, if requested by either the assignee or the assigning Lender, the Borrower shall issue and deliver a new Revolving Note to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Commitments and/or Advances of the assignee and/or the assigning Lender.

THE ASSIGNMENT OF THIS REVOLVING NOTE AND ANY RIGHTS WITH RESPECT THERETO ARE SUBJECT TO THE PROVISIONS OF THE FUNDING AGREEMENT, INCLUDING THE PROVISIONS GOVERNING THE REGISTER AND THE PARTICIPANT REGISTER.

THIS REVOLVING NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE.

SIT FUNDING CORPORATION

By:____
Name:
Title:

FORM OF FACILITY LIMIT REDUCTION NOTICE

[Insert Date]

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.02(a) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto and The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

Pursuant to Section 2.02(a) of the Funding Agreement, the Borrower hereby irrevocably notifies the Managing Agents and the Administrative Agent of its election to permanently reduce the Facility Limit to [\$_____], effective as of [_____], [____].¹ [This reduction is the [first/second] reduction [for the current calendar year] permitted by Section 2.02(a) of the Funding Agreement.] After such reduction, the Facility Limit will not be less than the Outstanding Principal Amount.

Very truly yours,

SIT FUNDING CORPORATION

By____
Name____
Title____

¹ This day shall be a Business Day at least ten Business Days after the date this notice is given.

FORM OF FACILITY TERMINATION NOTICE

[Insert Date]

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.02(b) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto and The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

Pursuant to Section 2.02(b) of the Funding Agreement, the Borrower hereby irrevocably notifies the Managing Agents and the Administrative Agent of its election to reduce the Facility Limit to zero effective as of [____], [____]². In connection therewith, the Borrower shall reduce Outstanding Principal Amount to zero on or prior to such date and make all other payments required by Section 2.03(h) and pay any other fees that are due and payable pursuant to the Fee Letter at the time and in the manner specified therein.

Very truly yours,

SIT FUNDING CORPORATION

By____
Name____
Title____

² Which day shall be a Business Day at least 30 days after the date this notice is given.

FORM OF FACILITY LIMIT INCREASE NOTICE

[Insert Date]

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.02(c)(i) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto and The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

This letter constitutes a Facility Limit Increase Request pursuant to Section 2.02(c)(i) of the Funding Agreement. The Borrower desires to increase the Facility Limit and respective Commitments of each Lender Group on _____, _____³ to the following amounts:

- (a) Facility Limit: \$ _____
- (b) [Lender Group being requested to increase:]⁴ _____
[Pro Rata Share of each Lender Group:]⁵
 - (i) [MUFG]
Lender Group: \$ _____
 - (ii) [BNS]
Lender Group: \$ _____
 - (iii) [SMBC]
Lender Group: \$ _____

³ Notice must be given at least ten Business Days prior to the requested increase, and must be in a minimum amount of \$25,000,000.

⁴ Include if increase is for \$25,000,000.

⁵ Include if increase is for more than \$25,000,000.

- (iv) [BANA]
Lender Group: \$ _____
- (v) [Wells]
Lender Group: \$ _____
- (vi) [PNC]
Lender Group: \$ _____
- (vii) [Mizuho]
Lender Group: \$ _____
- (viii) [Crédit Agricole]
Lender Group: \$ _____
- (ix) [TD]
Lender Group: \$ _____

The Borrower hereby represents and warrants as of the date hereof, and as of the date of the increase requested hereby, as follows:

(i) the representations and warranties contained in Article IV of the Funding Agreement are correct in all material respects on and as of such dates as though made on and as of such dates and shall be deemed to have been made on such dates; and

(ii) no event has occurred and is continuing, or would result from the increase proposed hereby, that constitutes an Incipient Termination Event, a Termination Event, an Incipient Servicer Termination Event or an Event of Servicer Termination.

Each Managing Agent shall notify the Borrower and the Administrative Agent in writing whether it consents to this increase request prior to the requested date of effectiveness of the requested increase; *provided* that if any Managing Agent fails to so notify the Borrower or the Administrative Agent prior to such date, the Lenders in its Lender Group shall be deemed to have refused to consent to this increase request.

IN WITNESS WHEREOF, the undersigned has caused this Facility Limit Increase Request to be executed by its duly authorized officer as of the date first above written.

SIT FUNDING CORPORATION

By:____
Name:____
Title:____

FORM OF ACCORDION CONFIRMATION

[Insert Date]

[Address of applicable Managing Agent]

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.02(c)(viii) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto and The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

This letter constitutes an Accordion Confirmation pursuant to Section 2.02(c)(viii) of the Funding Agreement. This Accordion Confirmation sets forth the Accordion Commitments as consented to by the Managing Agent for such Lender Group, and the resulting changes in the Facility Limit and Commitments.

(a) Commitments

Lender Group	Lender Group Commitment (excluding Accordion Commitment)	Accordion Commitment	Aggregate Lender Group Commitment
[MUFG] Lender Group	\$	\$	
[BNS] Lender Group	\$	\$	
[SMBC] Lender Group	\$	\$	
[BANA] Lender Group	\$	\$	
[Wells] Lender Group	\$	\$	
[PNC] Lender Group	\$	\$	
[Mizuho] Lender Group	\$	\$	
[Crédit Agricole] Lender Group	\$	\$	
[TD] Lender Group	\$	\$	

(b) Pro Rata Share expressed as a percentage after giving effect to the increase in the Accordion Commitment:

Lender Group	Pro Rata Share
[MUFG] Lender Group	
[BNS] Lender Group	
[SMBC] Lender Group	
[BANA] Lender Group	
[Wells] Lender Group	
[PNC] Lender Group	
[Mizuho] Lender Group	
[Crédit Agricole] Lender Group	
[TD] Lender Group	

(c) Facility Limit: \$ _____

(i) Non-Accordion Facility Limit: \$ _____

(ii) Accordion Facility Limit: \$ _____

The Borrower hereby represents and warrants as of the date hereof, and as of the date of the increase requested hereby, as follows:

(i) the representations and warranties contained in Article IV of the Funding Agreement are correct in all material respects on and as of such dates as though made on and as of such dates and shall be deemed to have been made on such dates; and

(ii) no event has occurred and is continuing, or would result from the increase proposed hereby, that constitutes an Incipient Termination Event, a Termination Event, an Incipient Servicer Termination Event or an Event of Servicer Termination.

IN WITNESS WHEREOF, the undersigned has caused this Accordion Confirmation to be executed by its duly authorized officer as of the date first above written.

SIT FUNDING CORPORATION

By:____
Name:____
Title:____

THE TORONTO-DOMINION BANK, as Administrative Agent

By:____
Name:
Title:

[THE BANK OF NOVA SCOTIA, as Managing Agent for the BNS Lender Group

By:____
Name:
Title:]

[MUFG BANK, LTD., as Managing Agent for the MUFG Lender Group

By:____
Name:
Title:]

[SMBC NIKKO SECURITIES AMERICA, INC., as Managing Agent for the SMBC Lender Group

By:____
Name:
Title:]

[BANK OF AMERICA, N.A., as Managing Agent for the BANA Lender Group

By:____
Name:
Title:]

[WELLS FARGO BANK, NATIONAL ASSOCIATION, as Managing Agent for the Wells Lender Group

By:____
Name:
Title:]

[PNC BANK, NATIONAL ASSOCIATION, as Managing Agent for the PNC Lender Group

By:____
Name:
Title:]

[THE TORONTO-DOMINION BANK, as Managing Agent for the TD Lender Group

By:____
Name:
Title:]

[CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as Managing Agent for the Crédit Agricole Lender Group

By:____
Name:
Title:]

[MIZUHO BANK, LTD., as Managing Agent for the Mizuho Lender Group

By:____

Name:
Title:]

Exhibit 2.01(a)(ii)

FORM OF BORROWING REQUEST

[Insert Date]

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.03(a) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto and The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

Pursuant to Section 2.01 of the Funding Agreement, the Borrower hereby requests that a Borrowing be made to the Borrower on [____], [____], in the amount of [\$____] which shall be an Advance, to be disbursed to the Borrower in accordance with Section 2.03(b) of the Funding Agreement. The Borrower hereby represents and warrants that the conditions set forth in Section 3.02 of the Funding Agreement have been satisfied. Attached hereto is a certificate setting forth a pro forma calculation of the Borrowing Base after giving effect to the acquisition by the Borrower of new Transferred Receivables and the receipt of Collections since the date of the most recent Borrowing Base Certificate, and the making of such Borrowing.

Very truly yours,

SIT FUNDING CORPORATION

By____
Name____
Title____

Exhibit to Borrowing Request
Pro Forma Calculation of Borrowing Base
[Attached]

Exhibit 2.01(a)(ii)

FORM OF REPAYMENT NOTICE

[Insert Date]

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

Re: Fifth Amended and Restated Receivables Funding
and Administration Agreement dated as of December 22, 2021

Ladies and Gentlemen:

This notice is given pursuant to Section 2.03(h) of that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among SIT FUNDING CORPORATION (the “**Borrower**”), TD Synnex Corporation (the “**Servicer**”), the financial institutions party thereto as lenders (the “**Lenders**”), the other parties thereto, The Toronto-Dominion Bank, as administrative agent for the Lenders (in such capacity, the “**Administrative Agent**”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

Pursuant to Section 2.03(h) of the Funding Agreement, the Borrower hereby notifies the Managing Agents and the Administrative Agent of its request to repay the principal amount of outstanding Advances in an amount equal to [\$ _____] on [_____, ____], [____] (which is a Business Day), from [Collections/other sources]. In connection therewith, the Borrower will pay to the Administrative Agent all interest accrued on the outstanding principal balance of Advances being repaid through but excluding the date of such repayment.

Very truly yours,

SIT FUNDING CORPORATION

By____
Name____
Title____

Form of
BORROWING BASE CERTIFICATE
[On file with Administrative Agent]

Form of

POWER OF ATTORNEY

This Power of Attorney is executed and delivered by SIT FUNDING CORPORATION, as Borrower, (“**Grantor**”) under the Funding Agreement (as defined below), to The Toronto-Dominion Bank, as Administrative Agent under the Funding Agreement (hereinafter referred to as “**Attorney**”), pursuant to that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (the “**Funding Agreement**”), by and among Grantor, the other parties thereto and Attorney and the other Related Documents. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Funding Agreement. No person to whom this Power of Attorney is presented, as authority for Attorney to take any action or actions contemplated hereby, shall be required to inquire into or seek confirmation from Grantor as to the authority of Attorney to take any action described below, or as to the existence of or fulfillment of any condition to this Power of Attorney, which is intended to grant to Attorney unconditionally the authority to take and perform the actions contemplated herein, and Grantor irrevocably waives any right to commence any suit or action, in law or equity, against any person or entity that acts in reliance upon or acknowledges the authority granted under this Power of Attorney. The power of attorney granted hereby is coupled with an interest and may not be revoked or cancelled by Grantor until all Borrower Obligations under the Related Documents have been indefeasibly paid in full and Attorney has provided its written consent thereto.

Grantor hereby irrevocably constitutes and appoints Attorney (and all officers, employees or agents designated by Attorney), with full power of substitution, as its true and lawful attorney in fact with full irrevocable power and authority in its place and stead and in its name or in Attorney’s own name, from time to time in Attorney’s discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments that may be necessary or desirable to accomplish the purposes of the Funding Agreement, and, without limiting the generality of the foregoing, hereby grants to Attorney the power and right, on its behalf, without notice to or assent by it, to do the following: (a) open mail for it, and ask, demand, collect, give acquaintances and receipts for, take possession of, or endorse and receive payment of, any checks, drafts, notes, acceptances, or other instruments for the payment of moneys due in respect of Transferred Receivables, and sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, and notices in connection with any Borrower Collateral; (b) pay or discharge any taxes, Liens, or other encumbrances levied or placed on or threatened against any Borrower Collateral; (c) defend any suit, action or proceeding brought against it or any Borrower Collateral if the Grantor does not defend such suit, action, or proceeding or if Attorney believes that it is not pursuing such defense in a manner that will maximize the recovery to the Attorney, and settle, compromise or adjust any suit, action, or proceeding described above and, in connection therewith, give such discharges or releases as Attorney may deem appropriate; (d) file or prosecute any claim, Litigation, suit or proceeding in any court of competent jurisdiction or before any arbitrator, or take any other action otherwise deemed appropriate by Attorney for the purpose of collecting any and all such moneys due with respect to any Borrower Collateral or otherwise with respect to the Related Documents whenever payable and to enforce any other right in respect of its property; (e) sell, transfer, pledge, make any agreement with respect to, or otherwise deal with, any Borrower Collateral, and execute, in connection with such sale or action, any endorsements, assignments or other instruments of conveyance or transfer in connection therewith; and (f) cause the certified public accountants then engaged by it to prepare and deliver to Attorney at any time and from time to time, promptly upon Attorney’s request, any

and all financial statements or other reports required to be delivered by or on behalf of Grantor under the Related Documents, all as though Attorney were the absolute owner of its property for all purposes, and to do, at Attorney's option and its expense, at any time or from time to time, all acts and other things that Attorney reasonably deems necessary to perfect, preserve, or realize upon the Borrower Collateral and the Lenders' Liens thereon, all as fully and effectively as it might do. Grantor hereby ratifies, to the extent permitted by law, all that said attorneys shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, this Power of Attorney is executed by Grantor, and Grantor has caused its seal to be affixed pursuant to the authority of its board of directors this ____ day of [____], 20[____].

Grantor
ATTEST: _____

By: _____ (SEAL)
Title: _____

[Notarization in appropriate form for the state of execution is required.]

FORM OF ASSIGNMENT AGREEMENT

This Assignment Agreement (this “Agreement”) is made as of _____, _____ by and between _____ (“Assignor Lender”) and _____ (“Assignee Lender”) and acknowledged and consented to by THE TORONTO-DOMINION BANK, as administrative agent (“Administrative Agent”). All capitalized terms used in this Agreement and not otherwise defined herein will have the respective meanings set forth in the Funding Agreement as hereinafter defined.

RECITALS:

WHEREAS, SIT Funding Corporation, a Delaware corporation (the “Borrower”), the financial institutions signatory thereto from time to time as lenders (the “Lenders”), the other parties thereto, and the Administrative Agent have entered into that certain Fifth Amended and Restated Receivables Funding and Administration Agreement dated as of December 22, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the “Funding Agreement”) pursuant to which the Lenders (including the Assignor Lender) have agreed to make certain Advances to Borrower;

WHEREAS, Assignor Lender desires to assign to Assignee Lender [all/a portion] of its interest in the Advances (as described below) and the Borrower Collateral and to delegate to Assignee Lender [all/a portion] of its Commitment and other duties with respect to such Advances and Borrower Collateral;

WHEREAS, Assignee Lender desires to become a Lender under the Funding Agreement and to accept such assignment and delegation from Assignor Lender; and

WHEREAS, Assignee Lender desires to appoint the Administrative Agent to serve as agent for Assignee Lender under the Funding Agreement;

NOW, THEREFORE, in consideration of the premises and the agreements, provisions, and covenants herein contained, Assignor Lender and Assignee Lender agree as follows:

1. ASSIGNMENT, DELEGATION, AND ACCEPTANCE

1.1 Assignment. Assignor Lender hereby transfers and assigns to Assignee Lender, without recourse and without representations or warranties of any kind (except as set forth in Section 3.2 below), [all/such percentage] of Assignor Lender’s right, title, and interest in the Advances, Related Documents and Borrower Collateral as will result in Assignee Lender having as of the Effective Date (as hereinafter defined) a Pro Rata Share thereof, as follows:

<u>Assignee Lender’s Advances</u>	<u>Principal Amount</u>	<u>Pro Rata Share</u>
Advances	\$ _____	_____ %

1.2 Delegation. Assignor Lender hereby irrevocably assigns and delegates to Assignee Lender [all/a portion] of its Commitments and its other duties and obligations as a Lender under the Related Documents equivalent to [100%/_____] of Assignor Lender’s Commitment (such percentage representing a commitment of \$ _____).

1.3 Acceptance by Assignee Lender. By its execution of this Agreement, Assignee Lender irrevocably purchases, assumes and accepts such assignment and delegation and agrees to be a Lender with respect to the delegated interest under the Related Documents and to be bound by the terms and conditions thereof. By its execution of this Agreement, Assignor Lender agrees, to the extent provided herein, to relinquish its rights and be released from its obligations and duties under the Funding Agreement.

1.4 Effective Date. Such assignment and delegation by Assignor Lender and acceptance by Assignee Lender will be effective and Assignee Lender will become a Lender under the Related Documents as of the date of this Agreement (“Effective Date”) and upon payment of the Assigned Amount and the Assignment Fee (as each term is defined below).

2. INITIAL PAYMENT AND DELIVERY OF REVOLVING NOTES

2.1 Payment of the Assigned Amount. Assignee Lender will pay to Assignor Lender, in immediately available funds, not later than 12:00 noon (New York City time) on the Effective Date, an amount equal to its Pro Rata Share of the then outstanding principal amount of the Advances as set forth above in Section 1.1 together with accrued interest, fees and other amounts as set forth on Schedule 2.1 (the “Assigned Amount”).

2.2 Payment of Assignment Fee. [Assignor Lender] [Assignee Lender] will pay to the Administrative Agent, for its own account in immediately available funds, not later than 12:00 noon (New York City time) on the Effective Date, an assignment fee in the amount of \$3,500 (the “Assignment Fee”) as required pursuant to Section 12.02(b) of the Funding Agreement.

2.3 Execution and Delivery of Revolving Notes. Following payment of the Assigned Amount and the Assignment Fee, Assignor Lender will deliver to the Administrative Agent the Revolving Notes previously delivered to Assignor Lender for redelivery to Borrower and, if requested by the Assignee Lender [or the Assignor Lender], the Administrative Agent will obtain from Borrower for delivery to [Assignor Lender and] Assignee Lender, new executed Revolving Notes evidencing Assignee Lender’s [and Assignor Lender’s respective] Pro Rata Share[s] in the Advances after giving effect to the assignment described in Section 1. Each new Revolving Note will be issued in the aggregate maximum principal amount of the Commitment of [the Assignee Lender] [and the Assignor Lender].

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Assignee Lender’s Representations, Warranties and Covenants. Assignee Lender hereby represents, warrants, and covenants the following to Assignor Lender and the Administrative Agent:

- (a) This Agreement is a legal, valid, and binding agreement of Assignee Lender, enforceable according to its terms;
- (b) The execution and performance by Assignee Lender of its duties and obligations under this Agreement and the Related Documents will not require any registration with, notice to, or consent or approval by any Governmental Authority;
- (c) Assignee Lender is familiar with transactions of the kind and scope reflected in the Related Documents and in this Agreement;
- (d) Assignee Lender has made its own independent investigation and appraisal of the financial condition and affairs of the Borrower and its Affiliates, has conducted its own

evaluation of the Advances, the Related Documents and the Borrower's and its Affiliates' creditworthiness, has made its decision to become a Lender to Borrower under the Funding Agreement independently and without reliance upon Assignor Lender, any other Lender or the Administrative Agent, and will continue to do so;

(e) Assignee Lender is entering into this Agreement in the ordinary course of its business, and is acquiring its interest in the Advances for its own account and not with a view to or for sale in connection with any subsequent distribution; *provided* that at all times the distribution of Assignee Lender's property shall, subject to the terms of the Funding Agreement, be and remain within its control; and

(f) As of the Effective Date, Assignee Lender is entitled to receive payments of principal and interest under the Funding Agreement without deduction for or on account of any taxes imposed by the United States of America or any political subdivision thereof, after giving effect to this assignment Borrower will not have any increased obligations under Sections 2.08(g), 2.09, or 12.04(b) of the Funding Agreement by virtue of such assignment, and Assignee Lender will indemnify the Administrative Agent from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, or expenses that are not paid by the Borrower pursuant to the terms of the Funding Agreement.

3.2 Assignor Lender's Representations, Warranties and Covenants. Assignor Lender hereby represents, warrants and covenants the following to Assignee Lender:

(a) Assignor Lender is the legal and beneficial owner of the Assigned Amount;

(b) This Agreement is a legal, valid and binding agreement of Assignor Lender, enforceable according to its terms;

(c) The execution and performance by Assignor Lender of its duties and obligations under this Agreement will not require any registration with, notice to or consent or approval by any Governmental Authority;

(d) Assignor Lender has full power and authority, and has taken all action necessary to execute and deliver this Agreement and to fulfill the obligations hereunder and to consummate the transactions contemplated hereby;

(e) Assignor Lender is the legal and beneficial owner of the interests being assigned hereby, free and clear of any adverse claim, lien, encumbrance, security interest, restriction on transfer, purchase option, call or similar right of a third party; and

(f) Assignor Lender [is] [is not] a Defaulting Lender.

4. LIMITATIONS OF LIABILITY

Neither Assignor Lender (except as provided in Section 3.2) nor the Administrative Agent makes any representations or warranties of any kind, nor assumes any responsibility or liability whatsoever, with regard to (a) the Related Documents or any other document or instrument furnished pursuant thereto or the Advances, or other Borrower Obligations, (b) the creation, validity, genuineness, enforceability, sufficiency, value or collectability of any of them, (c) the amount, value or existence of the Borrower Collateral, (d) the perfection or priority of any Lien upon the Borrower Collateral, or (e) the financial condition of Borrower or any of its Affiliates or other obligor or the performance or observance by Borrower or any of its Affiliates of its obligations under any of the Related Documents. Neither Assignor Lender nor the Administrative Agent has or will have any duty, either initially

or on a continuing basis, to make any investigation, evaluation, appraisal of, or any responsibility or liability with respect to the accuracy or completeness of, any information provided to Assignee Lender which has been provided to Assignor Lender or the Administrative Agent by Borrower or any of its Affiliates. Nothing in this Agreement or in the Related Documents shall impose upon the Assignor Lender or the Administrative Agent any fiduciary relationship in respect of the Assignee Lender.

5. FAILURE TO ENFORCE

No failure or delay on the part of the Administrative Agent or Assignor Lender in the exercise of any power, right, or privilege hereunder or under any Related Document will impair such power, right, or privilege or be construed to be a waiver of any default or acquiescence therein. No single or partial exercise of any such power, right, or privilege will preclude further exercise thereof or of any other right, power, or privilege. All rights and remedies existing under this Agreement are cumulative with, and not exclusive of, any rights or remedies otherwise available.

6. NOTICES

Unless otherwise specifically provided herein, any notice or other communication required or permitted to be given will be in writing and addressed to the respective party as set forth below its signature hereunder, or to such other address as the party may designate in writing to the other.

7. AMENDMENTS AND WAIVERS

No amendment, modification, termination, or waiver of any provision of this Agreement will be effective without the written concurrence of Assignor Lender, the Administrative Agent and Assignee Lender.

8. SEVERABILITY

Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law. In the event any provision of this Agreement is or is held to be invalid, illegal, or unenforceable under applicable law, such provision will be ineffective only to the extent of such invalidity, illegality, or unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Agreement. In addition, in the event any provision of or obligation under this Agreement is or is held to be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations in any other jurisdictions will not in any way be affected or impaired thereby.

9. SECTION TITLES

Section and Subsection titles in this Agreement are included for convenience of reference only, do not constitute a part of this Agreement for any other purpose, and have no substantive effect.

10. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

11. APPLICABLE LAW

THIS AGREEMENT WILL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES.

12. COUNTERPARTS

This Agreement and any amendments, waivers, consents, or supplements may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered (including by facsimile or electronic mail), will be deemed an original and all of which shall together constitute one and the same instrument.

* * *

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above.

Assignee Lender

Assignor Lender

By:_____ By:_____

Name:_____ Name:_____

Title:_____ Title:_____

Notice Address

Notice Address

Account Information

Account Information

Acknowledged and Consented to:

THE TORONTO-DOMINION BANK,
as Administrative Agent

By: _____

Name:

Title:

[Consented to:]⁶

SIT FUNDING CORPORATION,
as Borrower

By: _____

Name:

Title:

⁶ If required pursuant to Section 12.02.

CREDIT AND COLLECTION POLICY

[On file with Administrative Agent]

ANNEX 5.02(a)
to
FUNDING AGREEMENT

REPORTING REQUIREMENTS OF THE BORROWER

The Borrower shall furnish, or cause to be furnished, to each Managing Agent and the Administrative Agent:

(a) Reporting. (i) Monthly Report. As soon as available, and in any event no later than 5:00 p.m. (New York time) on the twentieth day of each calendar month (or, if such day is not a Business Day, the immediately succeeding Business Day), a monthly report (a "Monthly Report") in the form attached hereto prepared as of the last day of the previous calendar month, certified by an officer of the Servicer. It is hereby understood and agreed that the Borrower shall be required to deliver a Monthly Report pursuant to the terms of this subsection (a)(i) notwithstanding that the Borrower may also be required to deliver Weekly Reports or Daily Reports as hereinafter described.

(ii) Weekly Report. If requested in writing to the Borrower by the Administrative Agent or any Lender at any time when a Ratings Event has occurred and is continuing, no later than 5:00 p.m. (New York time) on each Tuesday, a report (a "Weekly Report") in the form attached hereto, prepared as of the last day of the immediately preceding week; provided that upon receipt of such request from the Administrative Agent or any Lender, the Borrower shall continue to deliver Weekly Reports until notified in writing by the Administrative Agent or the applicable Lender that Weekly Reports are no longer required to be delivered pursuant to the terms hereof.

(iii) Daily Report. If requested in writing to the Borrower by the Administrative Agent at any time when a Termination Event has occurred and is continuing, no later than 5:00 p.m. (New York time) on the Business Day immediately following the date on which the daily reporting obligation arose, a daily report (a "Daily Report") in the form attached hereto, prepared as of the close of business on the immediately preceding Business Day. The Borrower shall be required to deliver a Daily Report by no later than 5:00 p.m. (New York time) on each Business Day thereafter (each Daily Report relating to the immediately preceding Business Day); provided that upon receipt of such request from the Administrative Agent, the Borrower shall continue to deliver Daily Reports until notified in writing by the Administrative Agent that Daily Reports are no longer required to be delivered pursuant to the terms hereof.

(b) Annual Audited Financials. As soon as available, and in any event within ninety (90) days after the end of each fiscal year, a copy of (1) the audited consolidated financial statements for such year for the Parent and its Subsidiaries, certified, as to the audited financial statements, without qualification in a manner satisfactory to the Administrative Agent by any of (i) Deloitte & Touche USA LLP, (ii) Ernst & Young LLP, (iii) KPMG LLP, or (iv) PricewaterhouseCoopers LLP (or any of their respective successors) or other nationally recognized independent public accountants acceptable to the Administrative Agent, with such financial statements being prepared in accordance with GAAP applied consistently throughout the period involved (except as approved by such accountants and disclosed therein) and (2) the unaudited consolidating financial statements for the Parent and its Subsidiaries.

(c) Quarterly Financials. As soon as available, and in any event within forty-five (45) days after the end of each fiscal quarter (other than the last quarter of such fiscal year),

financial information regarding the Parent and its Subsidiaries, certified by the Chief Financial Officer of the Parent, consisting of consolidated unaudited balance sheets as of the close of such fiscal quarter and the related statements of income and cash flows for that portion of the fiscal year ending as of the close of such fiscal quarter, all prepared in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes. Such financial information shall be accompanied by the certification of the Chief Financial Officer of the Parent that (A) such financial information presents fairly in accordance with GAAP the financial position and results of operations of the Parent and its Subsidiaries, on a consolidated and consolidating basis, in each case as at the end of such quarter and for the period then ended and (B) any other information presented is true, correct and complete in all material respects and that there was no Incipient Termination Event or Termination Event in existence as of such time or, if an Incipient Termination Event or Termination Event shall have occurred and be continuing, describing the nature thereof and all efforts undertaken to cure such Incipient Termination Event or Termination Event. In addition, the Borrower shall furnish, or cause to be furnished, to the Administrative Agent and the Managing Agents, within forty-five (45) days after the end of each fiscal quarter, (1) a statement in reasonable detail showing the calculations used in determining compliance with each financial test described in Annex Z of the Sale Agreement and (2) a management discussion and analysis that includes a comparison of performance for the fiscal year to date as of the end of that fiscal quarter to the corresponding period in the prior year, as set forth in the quarterly filings made by the Parent with the Securities and Exchange Commission.

(d) Reports by Independent Accountants. The Borrower shall, within 180 days following the end of each fiscal year, cause the Servicer to initiate with the AUP Provider the application of the Agreed Upon Procedures. The Borrower shall provide the AUP Provider with any access granted to the Administrative Agent under clauses (i) through (iv) of Section 7.05(b) of the Funding Agreement for the purposes of preparing the AUP Provider's annual report.

(e) Specified Filing Documents. As soon as available, and in any event within five Business Days after the effectiveness thereof, copies of all amendments, restatements, supplements or other modifications to Specified Filing Documents that add any Obligor as the subject of the transactions contemplated thereby with respect to an Originator.

(f) Management Letters. Within 10 Business Days after receipt thereof by the Borrower, copies of all management letters, exception reports or similar letters or reports received by the Borrower from its independent certified public accountants.

(g) Default Notices. As soon as practicable, and in any event within five Business Days after an Authorized Officer of the Borrower has actual knowledge of the existence thereof, telephonic or telecopied notice of each of the following events, in each case specifying the nature and anticipated effect thereof and what action, if any, the Borrower proposes to take with respect thereto, which notice, if given telephonically, shall be promptly confirmed in writing on the next Business Day:

- (i) any Incipient Termination Event or Termination Event;
- (ii) any Adverse Claim made or asserted against any of the Borrower Collateral of which it becomes aware;
- (iii) the occurrence of any event that would have a material adverse effect on the aggregate value of the Borrower Collateral or on the assignments and Liens granted by the Borrower pursuant to the Funding Agreement;

(iv) the occurrence of any event of the type described in Sections 4.02(h)(i), (ii) or (iii) of the Sale Agreement involving any Obligor obligated under Transferred Receivables with an aggregate Outstanding Balance at such time of \$2,000,000 or more;

(v) the commencement of a case or proceeding by or against the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor seeking a decree or order in respect of the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor (A) under any Debtor Relief Law or any other applicable federal, state, provincial or foreign bankruptcy or other similar law, (B) appointing a custodian, receiver, liquidator, assignee, trustee or sequestrator (or similar official) for the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor or for any substantial part of its respective assets, or (C) ordering the winding up or liquidation of the affairs of the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor;

(vi) the receipt of notice that (A) the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor is being placed under regulatory supervision, (B) any material license, permit, charter, registration or approval necessary for the conduct of the business of the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor is to be, or may be, suspended or revoked, or (C) the Borrower, the Parent, the Servicer, any Originator, any other Subsidiary of the Parent or any Obligor is to cease and desist any practice, procedure or policy employed by it in the conduct of its business if such cessation could reasonably be expected to have a Material Adverse Effect; or

(vii) any other event, circumstance or condition that has had or could reasonably be expected to have a Material Adverse Effect.

(h) SEC Filings and Press Releases. Promptly upon their becoming available, copies of any final registration statements and the regular, periodic and special reports, if any, which the Parent shall have filed with the Securities and Exchange Commission (or any governmental agency substituted therefor) or any national securities exchange and copies of all management letters delivered to the Parent or any of its Subsidiaries by its accountants.

(i) ERISA Notices. Immediately upon becoming aware of the institution of any steps by the Borrower or any other Person to terminate any Pension Plan of the Borrower or an ERISA Affiliate of the Borrower, or the failure to make a required contribution to a Pension Plan of the Borrower or an ERISA Affiliate of the Borrower if such failure is sufficient to give rise to a lien under section 303(k) of ERISA, or the taking of any action with respect to a Pension Plan of the Borrower or an ERISA Affiliate of the Borrower which would be reasonably likely to result in the requirement that the Borrower or any ERISA Affiliate furnish a bond or other security to the PBGC or such Pension Plan, or the occurrence of any event with respect to any Pension Plan of the Borrower or an ERISA Affiliate of the Borrower which would be reasonably likely to result in the Borrower or any ERISA Affiliate incurring any material liability, fine or penalty, notice thereof and copies of all documentation relating thereto.

(j) Litigation. Promptly upon learning thereof, written notice of any Litigation affecting the Borrower that (i) seeks damages in excess of \$100,000, (ii) seeks injunctive relief, (iii) is asserted or instituted against any Plan of the Borrower or any ERISA Affiliate of the Borrower, the fiduciaries of such Plan (in their capacity as a fiduciary of any such Plan) or the assets of such Plan or against the Borrower or any ERISA Affiliate of the Borrower

in connection with any Plan, (iv) alleges criminal misconduct by the Borrower (v) has resulted in a final judgment for the payment of money rendered against the Borrower of \$16,750 or more or (vi) would, if determined adversely, have a Material Adverse Effect.

(k) Other Documents. Such other financial and other information respecting the Transferred Receivables, the Contracts therefor or the condition or operations, financial or otherwise, of the Borrower, any Originator, the Parent or any of its other Subsidiaries as any Lender or Administrative Agent shall, from time to time, reasonably request.

(l) Miscellaneous Certifications. As soon as available, and in any event within 90 days after the end of each fiscal year, (i) a Bringdown Certificate in the form attached hereto, (ii) a Servicer's Certificate in the form attached hereto, and (iii) if requested, an opinion or opinions of counsel, in form and substance reasonably satisfactory to the Lenders and the Administrative Agent, reaffirming as of the date of such opinion the opinions of counsel with respect to the Borrower and the Originators delivered to the Lenders and the Administrative Agent on the Closing Date.

Financial reports required to be delivered pursuant to clauses (b), (c) and (h) above shall be deemed to have been delivered on the date on which such report is posted on the Parent's website, or to the extent any such reports are included in materials otherwise filed or furnished with the Securities and Exchange Commission and such posting or filing or furnishment shall be deemed to satisfy the financial reporting requirements of clauses (b), (c) and (h) above.

Form of Monthly Report

[Attached]

Form of Weekly Report

[On file with Administrative Agent]

Form of Daily Report

[On file with Administrative Agent]

ANNEX X
DEFINITIONS
[Attached]

ANNEX Y

[Reserved]

FORM OF SPECIAL OBLIGOR APPROVAL NOTICE

The Toronto-Dominion Bank,
as Administrative Agent
130 Adelaide Street West, 12th Floor
Toronto, ON, M5H 3P5

[Insert Date]

[Address]

SIT FUNDING CORPORATION

[Address]

Re: Approval of Special Obligor

Ladies and Gentlemen:

Reference is made to the Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of December 22, 2021, as amended (the “Funding Agreement”), by and among SIT Funding Corporation, TD Synnex Corporation, the financial institutions party thereto as lenders (the “Lenders”) and The Toronto-Dominion Bank, as a lender and as administrative agent for the Lenders (in such capacity, the “Administrative Agent”). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Funding Agreement.

The Administrative Agent on behalf of the Requisite Lenders hereby notifies the Lenders of the approval of [name of party] as a Special Obligor (the “Special Obligor”) with an “Individual Obligor Percentage” equal to ____%. It is understood and agreed that the Administrative Agent may, if requested in writing by any Lender, revoke such approval at any time upon two (2) Business Days’ prior written notice to SIT Funding Corporation.

Very truly yours,

THE TORONTO-DOMINION BANK, as Administrative Agent and as a Managing Agent

By:____
Name:
Title:

Consented to and Acknowledged by:

[_____] ,
as a Managing Agent

By:_____
Name:
Title:

[Consented to and Acknowledged by:

[_____] ,
as a Managing Agent

By:_____
Name:
Title:]

ANNEX X

ANNEX X

DEFINITIONS

[Attached]

ANNEX X

to

THIRD AMENDED AND RESTATED RECEIVABLES SALE AND SERVICING AGREEMENT

dated as of

January 23, 2009

and

FIFTH AMENDED AND RESTATED RECEIVABLES FUNDING AND ADMINISTRATION AGREEMENT

dated as of

December 22, 2021

Definitions and Interpretation

SECTION 1. Definitions and Conventions. Capitalized terms used in the Sale Agreement (as defined below) and the Funding Agreement (as defined below) shall have (unless otherwise provided elsewhere therein) the following respective meanings:

“2016 Effective Date” means November 3, 2016.

“2018 Effective Date” means May 7, 2018.

“2021 Effective Date” means July 12, 2021.

“Accordion Advanced Amount” means, with respect to any Lender and its related Advances, the portion, if any, of such Advances being funded or maintained by such Lender under the Accordion Commitment for its Lender Group.

“Accordion Commitment” means, with respect to any Lender Group, the aggregate amount of any increase in such Lender Group’s Commitment pursuant to Section 2.02(c) of the Funding Agreement consented to by the applicable Managing Agent on behalf of the Lenders in such Lender Group.

“Accordion Confirmation” shall have the meaning assigned to it in Section 2.02(c)(viii) of the Funding Agreement.

“Accordion Facility Limit” means the aggregate of the amount of any increase to the Facility Limit pursuant to Section 2.02(c) of the Funding Agreement consented to by the Managing Agents of the Increasing Lender Groups less any reductions thereof pursuant to Section 2.02(a) of the Funding Agreement; *provided*, that the Accordion Facility Limit shall in no event exceed \$150,000,000 without the prior written consent of all Managing Agents.

“Accordion Pro Rata Share” means, for each Lender Group, such Lender Group’s Accordion Commitment divided by the aggregate Accordion Commitments of all Lender Groups.

“Account” shall mean any of the Concentration Accounts, the Collection Accounts or the Borrower Account.

“Account Agreement” shall mean any of the Borrower Account Agreement, the Concentration Account Agreements or the Collection Account Agreements.

“Accounting Changes” shall mean, with respect to any Person, (a) changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion of the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or any successor thereto or any agency with similar functions); (b) changes in accounting principles concurred with by such Person’s certified public accountants; (c) purchase accounting adjustments under A.P.B. 16 or 17 and EITF 88-16, and the application of the accounting principles set forth in FASB 109, including the establishment of reserves pursuant thereto and any subsequent reversal (in whole or in part) of such reserves; and (d) the reversal of any reserves established as a result of purchase accounting adjustments.

“Additional Amounts” shall mean any amounts payable to any Affected Party under Sections 2.09 or 2.10 of the Funding Agreement.

“Additional Costs” shall have the meaning assigned to it in Section 2.09(b) of the Funding Agreement.

“Adjusted SMIR” means, for any day during any Interest Period an interest rate per annum equal to (a) SMIR, *plus* (b) the SOFR Adjustment; *provided* that if Adjusted SMIR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of the Funding Agreement.

“Administrative Agent” shall have the meaning set forth in the preamble of the Funding Agreement.

“Administrative Services Agreement” shall mean that certain Ancillary Services and Lease Agreement dated as of December 10, 1997, between the Borrower and the Parent.

“Administrators” shall mean the Liberty Street Administrator, the Gotham Administrator, the MAFC Administrator, the Reliant Administrator, the Atlantic Administrator and any other Person that becomes a party to the Funding Agreement as an “Administrator”.

“Advance” shall have the meaning assigned to it in Section 2.01(a) of the Funding Agreement.

“Advance Date” shall mean each day on which any Advance is made.

“Adverse Claim” shall mean any claim of ownership or any Lien, other than any ownership interest or Lien created under the Sale Agreement or the Funding Agreement.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Party” shall mean each of the following Persons: each Lender, the Administrative Agent, each Managing Agent, each Administrator, each Program Support Provider, each Affiliate of the foregoing Persons, and any participant with the rights of a Lender under Section 12.02(c) of the Funding Agreement and their respective successors, transferees and permitted assigns.

“Affiliate” shall mean, with respect to (a) Borrower, the Parent or any of its Subsidiaries, or any Obligor, each Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, ten percent (10%) or more of the Stock having ordinary voting power in the election of directors of such Person, or (b) with respect to each Person, including those Persons to which clause (a) is applicable, (i) each Person that controls, is controlled by or is under common control with such Person, or (ii) each of such Person’s officers, directors, joint venturers and partners; provided, however, that with respect to Borrower, the Parent, or any of its Subsidiaries, any portfolio company of Apollo that is a Subsidiary or Affiliate of Apollo shall not be deemed to be an Affiliate of Borrower, the Parent, or any of its Subsidiaries if such portfolio company is not a direct or indirect parent of Borrower, the Parent or any of its Subsidiaries. For the purposes of this definition, “control” of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

“Agent Account” shall mean account number 1020-7430125, Reference: SIT Funding Corp., Intermediate Bank Name: Bank of America, New York, NY USA, ABA #: 026009593, Beneficiary Bank: TD, Swift Code: TDOMCATTOR, established in the name of Reliant Trust.

“Agent Bank” means TD.

“Agent-Related Persons” means, with respect to any Managing Agent or the Administrative Agent, such Person together with its Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and their respective Affiliates.

“Aggregate Commitment” means, at any time, the aggregate commitment of all Lenders to make Advances, which aggregate commitment shall be One Billion and Five Hundred Million Dollars (\$1,500,000,000), as such amount may be adjusted, if at all, from time to time in accordance with the Funding Agreement.

“Agreed-Upon Procedures” means (a) with respect to the audit performed on or prior to the Effective Date, the procedures agreed to between the Administrative Agent and the Servicer as of the Effective Date, and (b) with respect to any audit performed on or after the Closing Date, the procedures agreed to from time to time between the Administrative Agent and the Servicer, with the consent of the Requisite Lenders.

“Alternate Rate” means, for any Interest Period for any Portion of Advances, an interest rate per annum equal to Adjusted SMIR in effect on each day during such Interest Period; provided that, for the avoidance of doubt, if SMIR is no longer the Benchmark, the Alternate Rate for any Interest Period for any Portion of Advances shall be the then applicable Benchmark Replacement in effect on each day during such Interest Period to the extent that such Benchmark Replacement has replaced SMIR pursuant to Section 2.11 of the Funding Agreement.

“Anti-Corruption Laws” shall mean all laws, rules, and regulations of any jurisdiction applicable to the Borrower, the Servicer, and each Originator or their respective Subsidiaries from time to time concerning or relating to bribery or corruption, including, without limitation, the Foreign Corrupt Practices Act of 1977, as amended, and any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

“Anti-Terrorism Laws” shall mean any applicable law relating to money laundering or terrorism, including Executive Order 13224, the regulations promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the Bank Secrecy Act, the USA Patriot Act, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any executive orders or regulations promulgated thereunder.

“Appendices” shall mean, with respect to any Related Document, all exhibits, schedules, annexes and other attachments thereto, or expressly identified thereto.

“Apollo” shall mean Apollo Global Management, LLC or any investment funds managed by Affiliates of Apollo Global Management, Inc.

“Assignment Agreement” shall mean an assignment agreement in the form of Exhibit 12.02 to the Funding Agreement.

“Atlantic Administrator” shall mean Crédit Agricole Corporate and Investment Bank or an Affiliate thereof, as administrator for the Crédit Agricole Discretionary Lender.

“Attributable Debt” means, with respect to any Person on any date, (a) in respect of any Capital Lease Obligations, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in

accordance with GAAP if such lease were accounted for as a capital lease, (c) in respect of any Securitization Program, the outstanding principal amount of such financing determined in accordance with GAAP and (d) in respect of any Sale and Leaseback Transaction, the present value (discounted in accordance with GAAP at the debt rate implied in the applicable lease) of the obligations of the lessee for rental payments during the term of such lease.

“AUP Provider” means Protiviti, Inc. or a firm of nationally recognized independent public accountants to be mutually agreed upon between the Administrative Agent and the Servicer, with the consent of the Requisite Lenders.

“Authorized Officer” shall mean, with respect to any corporation or limited liability company, the Chairman or Vice-Chairman of the Board, the President, any Vice President, the General Counsel, the Secretary, the Treasurer, the Controller, any Assistant Secretary, any Assistant Treasurer, any manager or managing member and each other officer of such corporation or limited liability company specifically authorized to sign agreements, instruments or other documents on behalf of such corporation or limited liability company in connection with the transactions contemplated by the Sale Agreement, the Funding Agreement and the other Related Documents.

“Available Amounts” shall have the meaning assigned to it in Section 12.15 of the Funding Agreement.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise for determining any frequency of making payments of interest calculated pursuant to the Funding Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.11(d) of the Funding Agreement.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their Affiliates (other than through liquidation, administration or other insolvency proceedings).

“BANA Committed Lender” shall mean Bank of America, N.A. and each other Lender party hereto from time to time as a “BANA Committed Lender”.

“BANA Lender Group” shall mean Bank of America, N.A., as Managing Agent, and the BANA Committed Lenders.

“Bank” shall mean any of the Concentration Account Banks, the Collection Account Banks or the Borrower Account Bank.

“Bank of America” shall mean Bank of America, N.A.

“Bankruptcy Code” shall mean the provisions of title 11 of the United States Code, 11 U.S.C. § 101 et seq.

“Base Rate” means, for any day, a fluctuating rate *per annum* equal to the highest of (a) the Federal Funds Rate for such day, plus 0.50%, (b) the then-current U.S. prime rate as published in the Wall Street Journal and (c) Adjusted SMIR on such day plus 1.00%. If the calculation of the Base Rate results in a Base Rate of less than zero (0), the Base Rate shall be deemed to be zero (0) for all purposes hereunder.

“Benchmark” means, initially, SMIR; provided that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to SMIR, or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.11 of the Funding Agreement.

“Benchmark Replacement” means, for any Available Tenor, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to the above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of the Funding Agreement and the other Related Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time in the United States.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the

Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Related Documents).

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

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

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

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will

continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

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

“Benchmark Unavailability Period” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.11 of the Funding Agreement and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.11 of the Funding Agreement.

“Beneficial Ownership Rule” means 31 C.F.R. § 1010.230.

“Billed Amount” shall mean, with respect to any Receivable, the amount billed on the Billing Date to the Obligor thereunder.

“Billing Date” shall mean, with respect to any Receivable, the date on which the invoice with respect thereto was generated.

“BK Obligor” means an Obligor that is (i) unable to make payment of its obligations when due, (ii) a debtor in a voluntary or involuntary bankruptcy proceeding, or (iii) the subject of a comparable receivership or insolvency proceeding, unless, in the case of a bankruptcy proceeding in clause (ii) or (iii), the applicable Originator has been designated as a “critical vendor” and the Obligor thereunder has obtained (x) in the case of any Receivable originated pre-petition, a final court order approving the payment of the pre-petition claims of such Originator on an administrative priority basis or (y) in the case of any Receivable originated post-petition, (A) a final court order approving the payment of the post-petition claims of such Originator on an administrative priority basis and (B) a debtor-in-possession financing facility and management of the applicable Originator reasonably believes that such financing will be available to pay the Receivables owing by such Obligor, and, in any such case, such Obligor has agreed post-petition to pay the Receivables owing by such Obligor on a current basis in accordance with its terms.

“BNS Committed Lender” shall mean The Bank of Nova Scotia and each other Lender party hereto from time to time as a “BNS Committed Lender”.

“BNS Discretionary Lender” shall mean Liberty Street Funding LLC and each Conduit Assignee thereof.

“BNS Lender Group” shall mean the Liberty Street Administrator, The Bank of Nova Scotia, as Managing Agent, the BNS Committed Lenders and the BNS Discretionary Lenders.

“Borrower” shall have the meaning assigned to it in the preamble to the Funding Agreement.

“Borrower Account” shall mean the “Borrower Account” set forth on Schedule 4.01(q) to the Funding Agreement, maintained by the Borrower at the Borrower Account Bank, which account shall be subject to a Borrower Account Agreement.

“Borrower Account Agreement” shall mean any agreement among the Borrower, the Administrative Agent, and the Borrower Account Bank with respect to the Borrower Account that provides, among other things, that (a) all items of payment deposited in the Borrower Account are held by the Borrower Account Bank as custodian for the Administrative Agent and (b) the Borrower Account Bank has no rights of setoff or recoupment or any other claim against the Borrower Account, as the case may be, other than for payment of its service fees and other charges directly related to the administration of the Borrower Account and for returned checks or other items of payment, and is otherwise in form and substance acceptable to the Administrative Agent.

“Borrower Account Bank” shall mean the bank or other financial institution at which the Borrower Account is maintained, which shall initially be Bank of America.

“Borrower Account Collateral” shall have the meaning assigned to it in Section 7.01(c) of the Funding Agreement.

“Borrower Assigned Agreements” shall have the meaning assigned to it in Section 7.01(b) of the Funding Agreement.

“Borrower Collateral” shall have the meaning assigned to it in Section 7.01 of the Funding Agreement.

“Borrower Collection Account” shall mean any “Collection Account” and related Lockboxes (if any) set forth on Schedule 4.01(q) to the Funding Agreement, established by the Borrower pursuant to Section 6.01(a) of the Funding Agreement and maintained by the Borrower at a Collection Account Bank, which account shall be subject to a Collection Account Agreement.

“Borrower Obligations” shall mean all loans, advances, debts, liabilities, indemnities and obligations for the performance of covenants, tasks or duties or for payment of monetary amounts (whether or not such performance is then required or contingent, or such amounts are liquidated or determinable) owing by the Borrower to any Affected Party under the Funding Agreement, any other Related Document and any document or instrument delivered pursuant thereto, and all amendments, extensions or renewals thereof, and all covenants and duties regarding such amounts, of any kind or nature, present or future, whether or not evidenced by any note, agreement or other instrument, arising thereunder, including the Outstanding Principal Amount, interest, fees, amounts payable in respect of Funding Excess, Successor Servicing Fees and Expenses, Additional Amounts, Additional Costs, Indemnified Amounts, and including the Erroneous Payment Subrogation Rights and the “Borrower Obligations” under, and as defined in, the Existing Receivables Funding Agreement. This term includes all principal, interest (including all interest that accrues after the commencement of any case or proceeding by or against the Borrower in bankruptcy, whether or not allowed in such case or proceeding), fees, charges, expenses, attorneys’ fees and any other sum chargeable to the Borrower under any of the foregoing, whether now existing or hereafter arising, voluntary or involuntary, whether or not jointly owed with others, direct or indirect, absolute or contingent, liquidated or unliquidated, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations that are paid to the extent all or any portion of

such payment is avoided or recovered directly or indirectly from any Secured Party or any assignee of any Secured Party as a preference, fraudulent transfer or otherwise.

“Borrowing” shall mean the Advances of the Lenders.

“Borrowing Base” shall mean, as of any date of determination, the amount equal to the lesser of:

(a) the Facility Limit,

and

(b) an amount equal to the positive difference, if any, of:

(i) the product of (1) the Dynamic Advance Rate multiplied by (2) the Net Receivables Balance,

minus

(ii) the sum of (W) the Interest Reserve, (X) the Servicing Fee Reserve, (Y) the Tax Reserves and (Z) such other reserves as the Administrative Agent may determine from time to time based upon its reasonable credit judgment;

in each case as disclosed in the most recently submitted Borrowing Base Certificate or Borrowing Request or as otherwise determined by the Administrative Agent based on Borrower Collateral information available to it, including any information obtained from any audit or from any other reports with respect to the Borrower Collateral, which determination shall be final, binding and conclusive on all parties to the Funding Agreement (absent manifest error).

“Borrowing Base Certificate” shall have the meaning assigned to it in Section 5.02(b) of the Funding Agreement.

“Borrowing Request” shall have the meaning assigned to it in Section 2.03(a) of the Funding Agreement.

“Business Day” means any day (other than a Saturday or Sunday) on which: (a) banks are not authorized or required to close in New York City, New York and (b) if this definition of “Business Day” is utilized in connection with SOFR, “Business Day” shall mean “U.S. Government Securities Business Day”.

“Buyer” shall have the meaning assigned to it in the preamble to the Sale Agreement.

“Buyer Available Amounts” shall have the meaning assigned to it in Section 6.15 of the Sale Agreement.

“Buyer Indemnified Person” shall have the meaning assigned to it in Section 5.01 of the Sale Agreement.

“Capital Lease Obligations” shall mean, with respect to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person

under GAAP; and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

“Change of Control” means:

(a) an event or series of events by which any “person” or “group” (as such terms are used in Section 13(d) and 14(d) of the Securities Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act, except that a person or group shall be deemed to have “beneficial ownership” of all Equity Interests that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”)), directly or indirectly, of voting Equity Interests of the Parent representing fifty percent (50%) or more of the combined voting power of all voting Equity Interests of the Parent on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) any Originator (other than the Parent) shall cease to be, directly or indirectly, a wholly-owned Subsidiaries of the Parent; or

(c) Parent ceases to own, directly, 100% of the Equity Interests of the Borrower free and clear of all Adverse Claims.

“Charge-Off” shall mean the extent to which any Transferred Receivable is subject to any Dilution Factor described in clause (a) of the definition thereof.

“Charges” shall mean (i) all federal, state, provincial, county, city, municipal, local, foreign or other governmental taxes (including taxes owed to the PBGC at the time due and payable); (ii) all levies, assessments, charges, or claims of any governmental entity or any claims of statutory lienholders, the nonpayment of which could give rise by operation of law to a Lien on Borrower Collateral or any other property of the Borrower or any Originator and (iii) any such taxes, levies, assessment, charges or claims which constitute a lien or encumbrance on any property of the Borrower or any Originator.

“Class A Obligor”, “Class B Obligor”, “Class C Obligor” and “Class D Obligor”, respectively, shall mean, as of any date of determination, an Obligor having a short-term rating or unsecured long-term debt rating or both a short-term rating and an unsecured long-term rating from either of Moody’s or S&P in accordance with the definition of “Class of Obligor” as determined in the following manner:

Class of Obligor	Short-Term Rating	Long-Term Rating of Obligor
Class A Obligor	A-1/P-1	A/A2 or higher
Class B Obligor	A-2/P-2	A- or BBB+/A3 or Baa1 (but lower than A/A2)
Class C Obligor	A-3/P-3	BBB or BBB-/Baa2 or Baa3 (but lower than BBB+/Baa1)
Class D Obligor	Lower than A-3/P-3 or Not Rated	Lower than BBB-/Baa3 or Not Rated

“Class of Obligor” for any Obligor shall be determined by the Administrative Agent as follows: (i) the short term rating issued by S&P for such Obligor shall be used to

determine the “Class of Obligor”; *provided* that if such short-term rating is unavailable, the long-term unsecured rating issued by S&P for the Obligor shall be used, (ii) concomitantly with clause (i), the short-term rating issued by Moody’s for such Obligor shall be used to determine the “Class of Obligor”; *provided* that if such short-term rating is unavailable, the long-term unsecured rating issued by Moody’s for the Obligor shall be used, and (iii) only if there is a difference between the “Class of Obligor” indicated in clauses (i) and (ii), determined concomitantly, then the Obligor shall be deemed a member of the lower of the determined “Class of Obligor”.

“Closing Date” shall mean December 22, 2021.

“CME Term SOFR Administrator” means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Collection Account” shall mean each of the Borrower Collection Accounts and the Originator Collection Accounts.

“Collection Account Agreement” shall mean any agreement among the Borrower or an Originator, as applicable, the Administrative Agent and the applicable Collection Account Bank with respect to the relevant Collection Account that provides, among other things, that (a) all items of payment deposited in such Collection Account are held by the applicable Collection Account Bank as custodian for the Administrative Agent and (b) the applicable Collection Account Bank has no rights of setoff or recoupment or any other claim against such Collection Account, other than for payment of its service fees and other charges directly related to the administration of such Collection Account and for returned checks or other items of payment and is otherwise in form and substance acceptable to the Administrative Agent.

“Collection Account Bank” shall mean any bank or other financial institution at which a Collection Account or any related Lockboxes are maintained.

“Collections” shall mean, with respect to any Transferred Receivable, all cash collections and other proceeds of such Receivable (including late charges, fees and interest arising thereon, and all recoveries with respect to such Transferred Receivable which has been written off as uncollectible).

“Commercial Paper” means the promissory notes issued or to be issued by a Conduit Lender (or its related commercial paper issuer if such Conduit Lender does not itself issue commercial paper) in the commercial paper market.

“Commingling Ratio” means, with respect to any Settlement Period, a fraction (expressed as a percentage), (a) the numerator of which is the aggregate amount of all funds that do not constitute Collections on Transferred Receivables which were deposited into any Collection Account or any Concentration Account during such Settlement Period and (b) the denominator of which is the aggregate amount of all funds which were deposited into the Collection Accounts and the Concentration Accounts during such Settlement Period.

“Commitment” shall mean as to any Committed Lender, the aggregate commitment of such Committed Lender to make Advances as set forth in Schedule 1.01 to the Funding Agreement or in the most recent Assignment Agreement executed by such Lender, as

such amount may be adjusted, if at all, from time to time in accordance with the Funding Agreement and shall include any Accordion Commitment then in effect.

“**Committed Lenders**” shall mean, (a) for the BNS Lender Group, the BNS Committed Lenders, (b) for the MUFG Lender Group, the MUFG Committed Lenders, (c) for the SMBC Lender Group, the SMBC Committed Lenders, (d) for the BANA Lender Group, the BANA Committed Lenders, (e) for the Wells Lender Group, the Wells Committed Lenders, (f) for the TD Lender Group, the TD Committed Lenders, (g) for the Mizuho Lender Group, the Mizuho Committed Lenders, (h) for the Crédit Agricole Lender Group, the Crédit Agricole Committed Lender, (i) for the PNC Lender Group, the PNC Committed Lender and (j) any other Person that shall become a party to the Funding Agreement in the capacity as a “Committed Lender”, and, in each case, their respective successors and permitted assigns.

“**Concentration Account**” shall mean any “Concentration Account” and related Lockboxes (if any) set forth on Schedule 4.01(q) to the Funding Agreement, established by the Borrower pursuant to Section 6.01(a) of the Funding Agreement (as such schedule may be updated from time to time to add a new “Concentration Account” with the consent of the Borrower and the Administrative Agent) and maintained by the Borrower at a Concentration Account Bank, which account shall be subject to a Concentration Account Agreement.

“**Concentration Account Agreement**” shall mean any agreement among the Borrower, the Administrative Agent and the applicable Concentration Account Bank with respect to the relevant Concentration Account that provides, among other things, that (a) all items of payment deposited in such Concentration Account are held by the applicable Concentration Account Bank as custodian for the Administrative Agent and (b) the applicable Concentration Account Bank has no rights of setoff or recoupment or any other claim against such Concentration Account, other than for payment of its service fees and other charges directly related to the administration of such Concentration Account and for returned checks or other items of payment and is otherwise in form and substance acceptable to the Administrative Agent.

“**Concentration Account Bank**” shall mean the bank or other financial institution at which a Concentration Account or any related Lockboxes are maintained.

“**Concentration Percentage**” shall mean, as of any date of determination, for the Obligors comprising each Class of Obligor in the table below, on an individual basis, a percentage not to exceed the corresponding “Individual Obligor Percentage”, subject to adjustment for any Special Obligors as approved by the Administrative Agent with the consent of the Requisite Lenders.

Class of Obligor	Individual Obligor Percentage
Class A	20.00%
Class B	15.00%
Class C	10.00%
Class D	5.00%

“**Conduit Assignee**” means, with respect to any Conduit Lender, any special purpose entity that finances its activities directly or indirectly through asset backed commercial paper and is administered by the same Administrator as such Conduit Lender (or an Affiliate of such Administrator consented to by the Borrower) and designated by such Administrator from

time to time to accept an assignment from such Conduit Lender of all or a portion of its interest under the Funding Agreement.

“Conduit Investment Termination Date” shall mean, with respect to any Conduit Lender, the date of the delivery by such Conduit Lender to the Borrower of written notice that such Conduit Lender elects, in its sole discretion, to permanently cease to fund Advances hereunder.

“Conduit Lender” shall mean Liberty Street Funding LLC, Manhattan Asset Funding Company LLC, Gotham Funding Corporation, Atlantic Asset Securitization LLC and any other Person that shall become a party to the Funding Agreement in the capacity as a “Conduit Lender” and any Conduit Assignee of any of the foregoing.

“Conduit Trustee” means, with respect to any Conduit Lender, a security trustee or collateral agent for the benefit of the holders of the Commercial Paper of such Conduit Lender appointed pursuant to such Conduit Lender’s program documents.

“Contract” shall mean any agreement or invoice pursuant to, or under which, an Obligor shall be obligated to make payments with respect to any Receivable.

“Contributed Receivables” shall have the meaning assigned to it in Section 2.01(d) of the Sale Agreement.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“CP Rate” shall mean, for any Interest Period for any Portion of Advances funded by a particular Conduit Lender, the *per annum* rate equivalent to the weighted average cost (as determined by the related Administrator and including incremental carrying costs incurred with respect to Commercial Paper maturing on dates other than those on which corresponding funds are received by such Conduit Lender, other borrowings by such Conduit Lender (other than under any Program Support Agreement) and any other costs associated with the issuance of Commercial Paper, including dealer fees and placement agent commissions) of or related to the issuance of Commercial Paper that are allocated, in whole or in part, by such Conduit Lender or its Administrator to fund or maintain such Portion of Advances (and which may be also allocated in part to the funding of other assets of such Conduit Lender); *provided* that if any component of such rate is a discount rate, in calculating the “*CP Rate*” for such Portion of Advances for such Interest Period, such Conduit Lender shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate *per annum*.

“Credit Agreement” shall mean that certain Credit Agreement, dated as of April 16, 2021, among Parent, the subsidiaries of Parent identified therein from time to time, Citibank, N.A., as agent, and the financial institutions from time to time party thereto as lenders and as in effect on the 2021 Effective Date together with all amendments, restatements, supplements or modifications thereto that are in effect on the 2021 Effective Date or adopted from time to time thereafter to the extent not prohibited under the Related Documents, and any refinancings, replacements or refundings thereof that (a) are agreed to by the Requisite Lenders or (b) (i) have terms and conditions no less favorable (as determined by the Administrative Agent, in the exercise of its reasonable credit judgment) to the Administrative Agent or any Lender than the terms and conditions of the existing Credit Agreement and (ii) if the obligations of Parent or the subsidiaries of Parent under such Credit Agreement are secured by Liens on their property, with

respect to which an intercreditor agreement having terms and conditions acceptable to the Administrative Agent and the Lenders is in full force and effect.

“Crédit Agricole Committed Lender” shall mean Crédit Agricole Corporate and Investment Bank, and each other Lender party hereto from time to time as a “Crédit Agricole Committed Lender”.

“Crédit Agricole Discretionary Lender” shall mean Atlantic Asset Securitization LLC, and each other Lender party hereto from time to time as a “Crédit Agricole Discretionary Lender”.

“Crédit Agricole Lender Group” shall mean the Atlantic Administrator, Crédit Agricole Corporate and Investment Bank, as Managing Agent, the Crédit Agricole Discretionary Lenders and the Crédit Agricole Committed Lenders.

“Credit and Collection Policies” shall mean the written credit, collection, customer relations and service policies of the Originators in effect on the Closing Date and attached as Exhibit A to the Funding Agreement, as the same may from time to time be amended, restated, supplemented or otherwise modified with the prior written consent of the Administrative Agent.

“Credit Card Sales” means any payment obligation resulting from purchases by an Obligor of merchandise, goods or services from any Originator using a website maintained by or on behalf of such Originator using a credit or debit card and settling within five Business Days of purchase.

“Credit Parties” means the Transaction Parties and the Borrower.

“CRR Part Five RTS” means the regulatory technical standards set out in Chapters I, II and III and Article 22 of Commission Delegated Regulation (EU) No. 625/2014 .

“Daily Report” shall have the meaning assigned to it in paragraph (a) of Annex 5.02(a) to the Funding Agreement.

“Debt” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations, whether current or long-term, for borrowed money and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all purchase money indebtedness;

(c) the maximum amount available to be drawn under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments;

(d) all obligations in respect of the deferred purchase price of property or services (other than (i) trade accounts payable, intercompany charges of expenses, deferred revenue and other accrued liabilities (including deferred payments in respect of services by employees), in each case incurred in the ordinary course of business, and (ii) any earn-out obligation or other post-closing balance sheet adjustment prior to such time as it becomes a liability on the balance sheet of such Person in accordance with GAAP);

(e) the Attributable Debt of Capital Lease Obligations, Synthetic Lease Obligations, Sale and Leaseback Transactions and Securitization Programs;

(f) the Hedge Termination Value of any Hedge Agreements;

(g) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(h) all obligations to purchase, redeem, retire, defease or otherwise make any payment prior to the Facility Termination Date in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interests, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(i) without duplication, all Guarantees in respect of any of the foregoing;

(j) all Debt of the types referred to in clauses (a) through (i) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent that such Debt is expressly made non-recourse to such Person (except for customary exceptions to non-recourse provisions such as fraud, misappropriation of funds and environmental liabilities);

(k) all “Advances” and other obligations of the Parent and its Subsidiaries under the Credit Agreement (which shall only be Debt of the Parent, its Subsidiaries and any Person who guarantees such Debt); and

(l) the Borrower Obligations.

For the avoidance of doubt, notwithstanding anything to the contrary contained in this Agreement, the following shall not constitute Debt: (i) trade payables created in the ordinary course of business in connection with the acquisition of inventory and (ii) overdraft lines.

“Debtor Relief Laws” means any applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, fraudulent conveyance, reorganization, or similar laws affecting the rights, remedies, or recourse of creditors generally, including the Bankruptcy Code and all amendments thereto, as are in effect from time to time.

“Default Rate” means, for any period, the applicable Base Rate for such period, plus 2.00% *per annum*.

“Default Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) of:

(a) the sum of (without duplication) (i) the aggregate Billed Amount of all Transferred Receivables (other than Specified Excluded Receivables) which became Defaulted Receivables during the Settlement Period immediately preceding such date and (ii) with respect to any Obligor that, during the Settlement Period immediately preceding such date, became (A) a debtor in a voluntary or involuntary bankruptcy proceeding, or (B) the subject of a comparable receivership or insolvency proceeding, the aggregate Outstanding Balance of Transferred Receivables (other than Specified Excluded Receivables) owing by such Obligor that were

owing by such Obligor before such Obligor became (x) a debtor in a voluntary or involuntary bankruptcy proceeding, or (y) the subject of a comparable receivership or insolvency,

to

(b) the aggregate Outstanding Balance of all Transferred Receivables (other than Specified Excluded Receivables) originated during the Settlement Period which ended four (4) months prior to the last day of the Settlement Period immediately preceding such date.

“Default Trigger Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) of:

(a) the aggregate Billed Amount of all Transferred Receivables which became Defaulted Receivables (other than Specified Excluded Receivables) as of the last day of the three Settlement Periods immediately preceding such date,

to

(b) the aggregate Outstanding Balance of all Transferred Receivables (other than Specified Excluded Receivables) originated during the fifth, sixth and seventh Settlement Periods immediately preceding such date.

“Defaulted Receivable” shall mean any Transferred Receivable (a) with respect to which any payment, or part thereof, remains unpaid for more than 90 days from the original due date for such payment, (b) with respect to which the Obligor thereunder is a BK Obligor or (c) that otherwise has been or should be written off in accordance with the Credit and Collection Policies.

“Defaulting Lender” means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of any Advance required to be made by it or (ii) pay over to any Affected Party any other amount required to be paid by it under any Related Document, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Affected Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under the Funding Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding any Advance under the Funding Agreement cannot be satisfied; provided that if the condition precedent serving as the basis for such determination has been effectively waived in accordance with the applicable Related Documents, such Lender shall be a Defaulting Lender if such failure to fund continues after the effectiveness of such waiver) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by an Affected Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Advances under the Funding Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Affected Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent, (d) has, or has a direct or indirect parent company that has, become the subject of any proceeding of the type referred to in Sections 8.01(d) or 8.01(e) of the Funding Agreement or (e) has become the subject of a Bail-In Action.

“Delinquency Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) of:

(a) the aggregate Billed Amount of all Transferred Receivables (other than Specified Excluded Receivables) with respect to which any payment, or part thereof, remains unpaid for more than 60 days but less than 91 days from the original due date for such payment,

to

(b) the aggregate Outstanding Balance of all Transferred Receivables (other than Specified Excluded Receivables) as of the last day of the most recently ended Settlement Period.

“Delinquency Trigger Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) of:

(a) the aggregate Billed Amount of Transferred Receivables (other than Specified Excluded Receivables) as of the last day of the three (3) most recently ended Settlement Periods with respect to which any payment, or part thereof, remains unpaid for more than 60 days but less than 91 days from the original due date for such payment,

to

(b) the aggregate Outstanding Balance of Transferred Receivables (other than Specified Excluded Receivables) as of the last day of the three (3) most recently ended Settlement Periods.

“Delinquent Receivable” shall mean any Transferred Receivable with respect to which any payment, or part thereof, remains unpaid for more than 60 days from the original due date for such payment.

“Dilution Factors” shall mean, with respect to any Transferred Receivable, any portion of which (a) was reduced, canceled or written-off as a result of (i) any credits, rebates, freight charges, cash discounts, volume discounts, cooperative advertising expenses, royalty payments, warranties, cost of parts required to be maintained by agreement (either express or implied), allowances for early payment, warehouse and other allowances, defective, rejected, returned or repossessed merchandise or services, or any failure by any Originator to deliver any merchandise or services or otherwise perform under the underlying Contract or invoice, (ii) any change in or cancellation of any of the terms of the underlying Contract or invoice or any cash discount, rebate, retroactive price adjustment or any other adjustment by the applicable Originator which reduces the amount payable by the Obligor on the related Receivable, or (iii) any setoff in respect of any claim by the Obligor thereof (whether such claim arises out of the same or a related transaction or an unrelated transaction) or (b) is subject to any specific dispute, offset, counterclaim or defense whatsoever (except discharge in bankruptcy of the Obligor thereof); *provided* that the Dilution Factors shall not be deemed to include any write-offs of Defaulted Receivables.

“Dilution Horizon Factor” shall mean, as of any date of determination, (x) the Billed Amount of Transferred Receivables originated during the two most recent Settlement Periods preceding such date divided by (y) the Net Receivables Balance as of the end of the Settlement Period immediately preceding such date.

“Dilution Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) of:

(a) the aggregate Dilution Factors for all Transferred Receivables (other than Specified Excluded Receivables) during the Settlement Period immediately preceding such date,

to

(b) the aggregate Billed Amount of all Transferred Receivables (other than Specified Excluded Receivables) originated during the second Settlement Period immediately preceding such date.

“Dilution Reserve Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) calculated in accordance with the following formula:

$$DRR = [(2.25 \times ADR) + (HDR - ADR) \times (HDR \div ADR)] \times DHF$$

where

DRR = the Dilution Reserve Ratio;

ADR = the aggregate Dilution Factors for the twelve most recent calendar Settlement Periods divided by the aggregate Billed Amount of Transferred Receivables (other than Specified Excluded Receivables) for such twelve most recent calendar Settlement Periods;

HDR = the highest Dilution Trigger Ratio occurring during the twelve most recent Settlement Periods preceding such date; and

DHF = the Dilution Horizon Factor.

“Dilution Trigger Ratio” shall mean, as of any date of determination, the ratio (expressed as a percentage) of:

(a) the aggregate Dilution Factors for all Transferred Receivables (other than Specified Excluded Receivables) for the three Settlement Periods immediately preceding such date,

to

(b) the aggregate Billed Amount for all Transferred Receivables (other than Specified Excluded Receivables) originated during the second, third and fourth Settlement Periods immediately preceding such date.

“Discretionary Lenders” shall mean the BNS Discretionary Lenders, the SMBC Discretionary Lenders, the MUFG Discretionary Lenders, the TD Discretionary Lenders, the Crédit Agricole Discretionary Lender and each other Person that shall become a party to the Funding Agreement in the capacity as a “Discretionary Lender”, and, in each case, their respective successors and permitted assigns.

“Dollars” or “\$” shall mean lawful currency of the United States of America.

“Dynamic Advance Rate” shall mean, as of any date of determination, a percentage equal to 100% minus the greater of (i) the Minimum Reserve Ratio and (ii) the sum of the Loss Reserve Ratio and the Dilution Reserve Ratio as of such date.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” shall have the meaning assigned to it in Section 3.01 of the Funding Agreement.

“Election Notice” shall have the meaning assigned to it in Section 2.01(d) of the Sale Agreement.

“Eligible Foreign Obligor” shall mean a Foreign Obligor whose jurisdiction of organization (i) is an OECD Country and (ii) has a sovereign debt rating of no less than A-1 by S&P and P-1 by Moody’s.

“Eligible Receivable” shall mean, as of any date of determination, a Transferred Receivable:

(a) (i) that is due and payable within 120 days after its Billing Date and (ii) that is not a Delinquent Receivable or a Defaulted Receivable;

(b) that is not a liability of (i) an Excluded Obligor, (ii) an Obligor with respect to any Receivable designated as an “Excluded Receivable” in the Fee Letter from time to time, (iii) an Obligor designated in any Specified Filing Document as being the subject of the transactions contemplated thereby with respect to an Originator or (iv) an Obligor with respect to which more than 50% of the aggregate Outstanding Balance of all Receivables owing by such Obligor are Delinquent Receivables;

(c) that was originated by an Originator with respect to which no event has occurred which materially and adversely impairs (i) the ability of such Originator to originate Receivables (other than Excluded Receivables) of a credit quality which are at least of the credit quality of the Receivables as of the 2016 Effective Date (other than Excluded Receivables), or (ii) the financial condition or operations of such Originator;

(d) that (i) is denominated and payable in Dollars in the United States of America by the Obligor thereof directly to (x) if a Ratings Period is continuing, a Borrower Account that is subject to a Borrower Account Agreement and (y) otherwise, a Collection Account (including, for the avoidance of doubt, any Originator Collection Account) that is subject to a Collection Account Agreement and (ii) is not represented by a note or other negotiable instrument or by chattel paper;

(e) that is not subject to any right of rescission, dispute, offset (including as a result of customer promotional allowances, discounts, rebates, or claims for damages), hold back defense, adverse claim or other claim (with only the portion of any such Receivable subject to any such right of rescission, dispute, offset (including as a result of customer promotional

allowances, discounts, rebates, or claims for damages), hold back defense, adverse claim or other claim being considered an Ineligible Receivable by virtue of this clause (e)), whether arising out of transactions concerning the Contract therefor or otherwise;

(f) with respect to which the Obligor thereunder is not a BK Obligor;

(g) that is not an Unapproved Receivable;

(h) that does not represent “billed but not yet shipped” goods or merchandise, partially performed or unperformed services, consigned goods or “sale or return” goods and does not arise from a transaction for which any additional performance by the Originator thereof, or acceptance by or other act of the Obligor thereunder, including any required submission of documentation, remains to be performed as a condition to any payments on such Receivable or the enforceability of such Receivable under applicable law;

(i) as to which the representations and warranties set forth in Sections 4.01(v)(ii) through (iv) of the Sale Agreement are true and correct in all respects as of the Transfer Date therefor;

(j) that is not the liability of an Obligor that has any claim of a material nature against or affecting the Originator thereof or the property of such Originator which gives rise to a right of set-off against such Receivable (with only that portion of Receivables owing by such Obligor equal to the amount of such claim being an Ineligible Receivable); *provided* that claims which arise in the ordinary course of business and are properly reflected in contra accounts on the books and records of the Originators, the Borrower and the Servicer shall not cause an otherwise Eligible Receivable to become ineligible under this clause (j) but shall instead cause a reduction in the Outstanding Balance of such Eligible Receivables for all computational purposes under the Related Documents;

(k) that was originated in accordance with and satisfies in all material respects all applicable requirements of the Credit and Collection Policies;

(l) that represents the genuine, legal, valid and binding obligation of the Obligor thereunder enforceable by the holder thereof in accordance with its terms (and which, for the avoidance of doubt, is not in any way a limited obligation of the related Obligor (e.g., limited to collections received by such Obligor from its own accounts receivable));

(m) that is entitled to be paid pursuant to the terms of the Contract therefor and has not been paid in full or been compromised, adjusted, extended, reduced, satisfied, subordinated, rescinded or modified (except for adjustments to the Outstanding Balance thereof to reflect Dilution Factors made in accordance with the Credit and Collection Policies);

(n) that does not contravene in any material respect any laws, rules or regulations applicable thereto (including laws, rules and regulations relating to usury, consumer protection, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy) and with respect to which no party to the Contract therefor is in violation of any such law, rule or regulation that, in each case, could reasonably be expected to have a material adverse effect on the collectability, value or payment terms of such Receivable;

(o) with respect to which no proceedings or investigations are pending or threatened before any Governmental Authority (i) asserting the invalidity of such Receivable or the Contract therefor, (ii) asserting the bankruptcy or insolvency of the Obligor thereunder; unless, in the case of a bankruptcy proceeding, the applicable Originator has been designated as a

“critical vendor” and the Obligor thereunder has obtained (A) in the case of any Receivable originated pre-petition, a final court order approving the payment of the pre-petition claims of such Originator on an administrative priority basis or (B) in the case of any Receivable originated post-petition, (1) a final court order approving the payment of the post-petition claims of such Originator on an administrative priority basis and (2) a debtor-in-possession financing facility and management of the applicable Originator reasonably believes that such financing will be available to pay the Receivables owing by such Obligor, and, in any such case, such Obligor has agreed post-petition to pay the Receivables owing by such Obligor on a current basis in accordance with its terms, (iii) seeking payment of such Receivable or payment and performance of such Contract or (iv) seeking any determination or ruling that could reasonably be expected to materially and adversely affect the validity or enforceability of such Receivable or such Contract;

(p) (i) that is an “account” within the meaning of the UCC (or any other applicable legislation) of the jurisdictions in which the each of the Originators, the Parent and the Borrower are organized and in which chief executive offices of each of the Originators, the Parent and the Borrower are located, (ii) that is not payable in installments and (iii) under the terms of the related Contract, the right to payment thereof may be freely assigned, including as a result of compliance with applicable law (or with respect to which, the prohibition on the assignment of rights to payment are made fully ineffective under applicable law);

(q) that is payable solely and directly to an Originator and not to any other Person (including any shipper of the merchandise or goods that gave rise to such Receivable), except to the extent that payment thereof may be made pursuant to Article VI of the Funding Agreement;

(r) with respect to which all material consents, licenses, approvals or authorizations of, or registrations with, any Governmental Authority required to be obtained, effected or given in connection with the creation or assignment of such Receivable or the Contract therefor have been duly obtained, effected or given and are in full force and effect (provided that a Receivable shall be an Eligible Receivable under this clause (r) if the only required approval which has not been obtained is the approval by the U.S. government of the assignment of the related Receivable in the case of Receivables the Obligor of which is the U.S. government);

(s) (i) that is created through the provision of merchandise, goods or services by the Originator thereof in the ordinary course of its business and (ii) for which an invoice with respect thereto has been delivered to the related Obligor;

(t) that is not the liability of an Obligor that, under the terms of the Credit and Collection Policies, is receiving or should receive merchandise, goods or services on a “cash on delivery” basis;

(u) that does not constitute a rebilled amount arising from a deduction taken by an Obligor with respect to a previously arising Receivable;

(v) as to which the Borrower has a first priority perfected ownership interest and in which the Administrative Agent has a first priority perfected security interest, in each case not subject to any Lien, right, claim, security interest or other interest of any other Person (other than, in the case of the Borrower, the Lien of the Administrative Agent for the benefit of the Secured Parties);

(w) to the extent such Transferred Receivable represents sales tax or a vendor pass-through payment, such portion of such Receivable shall not be an Eligible Receivable;

(x) that does not represent the balance owed by an Obligor on a Receivable in respect of which the Obligor has made partial payment;

(y) with respect to which no check, draft or other item of payment was previously received that was returned unpaid or otherwise;

(z) with respect to which, if such Receivable is a Financing Receivable, either (i) the Obligor under such Financing Receivable has entered into an intercreditor agreement with the Administrative Agent, the Parent and Borrower, in form and substance satisfactory to the Administrative Agent or (ii) the Obligor thereunder is obligated to pay such Receivable in full without any setoff, counterclaim or other deduction against (or otherwise with respect to) the applicable purchaser of the related goods or services (or such purchaser's performance under the financing arrangement between such Obligor and such purchaser), such Obligor does not have an "inbound" flooring arrangement with the Parent pursuant to which such Obligor at any time obtained a lien on the related goods and the Administrative Agent has specifically approved in writing the form of the financing arrangement under which such Receivable was generated;

(aa) that is not a Receivable of an Obligor with respect to which the Parent (or any Affiliate thereof) performs servicing duties as agent for such Obligor with respect to such Obligor's own accounts receivable, if any portion of the Outstanding Balance of such Receivable causes the aggregate Outstanding Balance of all such Receivables in the Borrower Collateral to exceed 5% of the Net Receivables Balance;

(bb) that do not arise under partially performed or unperformed Contracts for services or the delivery of goods or merchandise;

(cc) that complies with such other criteria and requirements as the Administrative Agent in its reasonable credit judgment may from time to time specify to the Borrower or the applicable Originator thereof upon not less than ten Business Days prior written notice; and

(dd) that if the Obligor thereof is a Foreign Obligor, such Obligor is an Eligible Foreign Obligor.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974 and any regulations promulgated thereunder.

"ERISA Affiliate" shall mean, with respect to any Credit Party, any trade or business (whether or not incorporated) that, together with such Credit Party, are treated as a single employer within the meaning of Sections 414(b) or (c) of the IRC (and Sections 414(m) or (o) of the IRC for purpose of provisions relating to Section 412 of the IRC).

“ERISA Event” shall mean, with respect to any Credit Party or any ERISA Affiliate of such Credit Party, the occurrence of one or more of the following events: (a) any Reportable Event with respect to a Title IV Plan unless the 30-day requirement with respect thereto has been waived pursuant to the regulations under Section 4043 of ERISA; (b) the withdrawal of any Credit Party or any ERISA Affiliate of such Credit Party from a Title IV Plan subject to Section 4063 of ERISA during a plan year in which it was a “substantial employer,” as defined in Section 4001(a)(2) of ERISA; (c) the complete or partial withdrawal of any Credit Party or any ERISA Affiliate of such Credit Party from any Multiemployer Plan; (d) the filing of a notice of intent to terminate a Title IV Plan or the treatment of a plan amendment as a termination under Section 4041 of ERISA; (e) the institution of proceedings to terminate a Title IV Plan or Multiemployer Plan by the PBGC; (f) the failure by any Credit Party or any ERISA Affiliate of such Credit Party to make when due required contributions to a Multiemployer Plan or Title IV Plan unless such failure is cured within 30 days; (g) any other event or condition that might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Title IV Plan or Multiemployer Plan or for the imposition of liability under Section 4069 or 4212(c) of ERISA; (h) the termination of a Multiemployer Plan under Section 4041A of ERISA or the insolvency of a Multiemployer Plan under Section 4245 of ERISA; or (i) the receipt of notice from the IRS of the failure of a Qualified Plan to be tax qualified or tax exempt.

“ESOP” means a Plan that is intended to satisfy the requirements of Section 4975(e)(7) of the IRC.

“EU” means the European Union.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“EU Securitisation Regulation” means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation and amending certain other EU directives and regulations, as amended and in effect from time to time.

“EU Securitisation Regulation Rules” means the EU Securitisation Regulation, together with any relevant regulatory and/or implementing technical standards adopted by the European Commission in relation thereto, any relevant regulatory and/or implementing technical standards applicable in relation thereto pursuant to any transitional arrangements made pursuant to the EU Securitisation Regulation, and, in each case, any relevant guidance published in relation thereto by the European Banking Authority, the European Securities and Markets Authority or the European Insurance and Occupational Pensions Authority (or, in either case, any predecessor or any other applicable regulatory authority) or by the European Commission, in each case as may be further amended from time to time .

“Event of Servicer Termination” shall have the meaning assigned to it in Section 8.01 of the Sale Agreement.

“Excluded Obligor” shall mean any Obligor (a) that is an Affiliate of any Originator, the Parent or the Borrower (other than a Permitted Affiliate Obligor), or (b) that is designated as an Excluded Obligor by the Administrative Agent in its reasonable discretion upon ten (10) Business Days’ prior written notice from the Administrative Agent to the Borrower, the Lenders, the Servicer and the Parent.

“Excluded Receivable” shall mean (i) any Receivable owing by the Obligor of an Originator (the “Reseller”) arising directly as a result of a separate, but corresponding, Receivable originated by such Reseller and where the Obligor of such Reseller (the “End User”) with respect to such corresponding Receivable (x) has been instructed to make payment of all amounts owing in respect of such Receivable owed by the End User to the Reseller, directly to the Originator or the Borrower (which may be in the name of the Reseller) and (y) is not relieved of its obligation with respect to such Receivable unless and until payment of all amounts owing to the Reseller with respect thereto is made directly to the Originator or the Borrower in accordance with the terms of the sales contract or purchase order and other documents between the Originator and the Reseller, (ii) any Receivable owing by an Affiliate of any Originator, the Parent or the Borrower (other than a Permitted Affiliate Obligor), (iii) any Receivable designated as an “Excluded Receivable” in the Fee Letter from time to time, or (iv) solely with respect to the Parent and Hyve, Credit Card Sales, to the extent characterized as Receivables (by the Parent or Hyve and not by any other Originator).

“Excluded Receivable Collections” shall mean, with respect to any Excluded Receivable, all cash collections and other proceeds of such Excluded Receivable (including late charges, fees and interest arising thereon, and all recoveries with respect to such Excluded Receivable which has been written off as uncollectible).

“Existing Receivables Funding Agreement” shall have the meaning assigned to it in the preamble of the Funding Agreement.

“Existing Transfer Agreement” shall have the meaning assigned to it in the preamble of the Sale Agreement.

“Facility Fee” shall have the meaning assigned to it in the Fee Letter.

“Facility Limit” means at any time, One Billion and Five Hundred Million Dollars (\$1,500,000,000), as such amount may be adjusted, if at all, from time to time in accordance with the Funding Agreement and shall include any Accordion Facility Limit then in effect.

“Facility Limit Increase Date” shall have the meaning assigned to it in Section 2.02(c)(i) of the Funding Agreement.

“Facility Limit Increase Request” shall have the meaning assigned to it in Section 2.02(c)(i) of the Funding Agreement.

“Facility Limit Reduction Notice” shall have the meaning assigned to it in Section 2.02(a) of the Funding Agreement.

“Facility Termination Date” shall mean the earliest of (a) the date so designated pursuant to Section 9.01 of the Funding Agreement, (b) the Final Advance Date, and (c) the date of termination of the Aggregate Commitment specified in a Facility Termination Notice.

“Facility Termination Notice” shall have the meaning assigned to it in Section 2.02(b) of the Funding Agreement.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any

intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Rate” means, for any day, the rate *per annum* (rounded upwards, if necessary, to the nearest 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to the applicable Managing Agent on such day on such transactions as determined by it.

“Federal Reserve Board” shall mean the Board of Governors of the Federal Reserve System.

“Fee Letter” shall mean that certain seventh amended and restated fee letter, dated as of the First Omnibus Amendment Effective Date, between the Parent, the Borrower, the Administrative Agent, the Managing Agents, the Lenders and the other parties thereto.

“Fees” shall mean any and all fees payable to the Administrative Agent or any Lender pursuant to the Funding Agreement or any other Related Document, including the Facility Fee and the Program Fee.

“Final Advance Date” shall mean December 20, 2024, as such date may be extended with the consent of the Borrower, the Lenders and the Administrative Agent.

“Financing Receivable” shall mean a Receivable which evidences the obligation of an Obligor to pay the purchase price of merchandise, goods or services which are neither purchased nor deemed purchased by such Obligor but which were financed by such Obligor pursuant to a floorplan financing arrangement.

“First Omnibus Amendment Effective Date” shall mean August 22, 2022.

“Fitch” means Fitch, Inc.

“Floor” means a rate of interest equal to zero (0.00%) per annum.

“Foreign Obligor” shall mean an Obligor who is organized under the laws of any jurisdiction outside of the United States of America (including the District of Columbia but otherwise excluding its territories and possessions).

“Fourth Omnibus Amendment Effective Date” shall mean November 6, 2014.

“Funding Agreement” shall mean that certain Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of the Closing Date, by and among the Borrower, the Parent, the Lenders, the Managing Agents, the Administrators and the Administrative Agent.

“Funding Availability” shall mean, as of any date of determination, the amount, if any, by which the Borrowing Base exceeds the Outstanding Principal Amount, in each case as of the end of the immediately preceding day.

“Funding Excess” shall mean, as of any date of determination, the extent to which the Outstanding Principal Amount exceeds the Borrowing Base, in each case as disclosed in the most recently submitted Borrowing Base Certificate or Borrowing Request or as otherwise determined by the Administrative Agent based on Borrower Collateral information available to it, including any information obtained from any audit or from any other reports with respect to the Borrower Collateral, which determination shall be final, binding and conclusive on all parties to the Funding Agreement (absent manifest error).

“Funding Rate Index” means, with respect to any Interest Period, the product of (i) a fraction, expressed as a percentage, (a) the numerator of which is the aggregate accrued Yield for such Interest Period and (b) the denominator of which is the average Outstanding Principal Amount for such Interest Period, times (ii) 12.

“GAAP” shall mean generally accepted accounting principles in the United States of America as in effect from time to time, consistently applied as such term is further defined in Section 2(a) of this Annex X.

“General Trial Balance” shall mean, with respect to any Originator and as of any date of determination, such Originator’s accounts receivable trial balance (whether in the form of a computer printout, magnetic tape or diskette) as of such date, listing Obligors and the Receivables owing by such Obligors as of such date together with the aged Outstanding Balances of such Receivables, in form and substance satisfactory to the Borrower and the Administrative Agent.

“Gotham Administrator” shall mean MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., or an Affiliate thereof, as administrator for the MUFG Discretionary Lender.

“Governmental Authority” shall mean any nation or government, any state, province or other political subdivision thereof, and any agency, department or other entity exercising executive, legislative, judicial, regulatory, taxing or administrative functions of or pertaining to government.

“Guarantee” means, as to any Person,

(a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Debt or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect,

(i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation,

(ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Debt or other obligation of the payment or performance of such Debt or other obligation,

(iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation, or

(iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Debt or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or

(b) any Lien on any assets of such Person securing any Debt or other obligation of any other Person, whether or not such Debt or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Debt to obtain any such Lien).

The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“Hedge Agreements” means interest rate swap, cap or collar agreements, interest rate future or option contracts and other similar agreements (for the avoidance of doubt, Hedge Agreements do not include currency swap agreements and currency future or option contracts).

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements.

“Hyve” means Hyve Solutions Corporation, a corporation organized under the laws of California.

“Incipient Servicer Termination Event” shall mean any event that, with the passage of time or notice or both, would, unless cured or waived, become an Event of Servicer Termination.

“Incipient Termination Event” shall mean any event that, with the passage of time or notice or both, would, unless cured or waived, become a Termination Event.

“Increased Capital Rate of Return Reduction Event” shall have the meaning assigned to it in Section 2.09(a) of the Funding Agreement.

“Increasing Lender Group” shall have the meaning assigned to it in Section 2.02(c)(iii) of the Funding Agreement.

“Indemnified Amounts” shall mean, with respect to any Person, any and all suits, actions, proceedings, claims, damages, losses, liabilities and reasonable expenses (including, but not limited to, reasonable attorneys’ fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal).

“Indemnified Person” shall have the meaning assigned to it in Section 10.01(a) of the Funding Agreement.

“Indemnified Taxes” shall have the meaning assigned to it in Section 2.08(g) of the Funding Agreement.

“Individual Obligor Percentage” shall have the meaning assigned to it in the definition of “Concentration Percentage”.

“Ineligible Receivable” shall mean any Receivable (or portion thereof) which fails to satisfy all of the requirements of an “Eligible Receivable” set forth in the definition thereof.

“Interest Period” means (a) with respect to any Portion of Advances funded by the issuance of Commercial Paper, (i) initially the period commencing on (and including) the date of the initial funding of such Portion of Advances and ending on (and including) the last day of the current calendar month, and (ii) thereafter, each period commencing on (and including) the first day after the last day of the immediately preceding Interest Period for such Portion of Advances and ending on (and including) the last day of the current calendar month; and (b) with respect to any Portion of Advances not funded by the issuance of Commercial Paper, (i) initially the period commencing on (and including) the date of the initial funding of such Portion of Advances and ending on (and including) the last day of the current calendar month, and (ii) thereafter, each period commencing on (and including) the first day after the last day of the immediately preceding Interest Period for such Portion of Advances and ending on (and including) the last day of the current calendar month; *provided that*:

- (a) any Interest Period with respect to any Portion of Advances (other than any Portion of Advances accruing Yield at the CP Rate) that would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day;
- (b) in the case of any Interest Period for any portion of Advance that commences before the Facility Termination Date and would otherwise end on a date occurring after the Facility Termination Date, such Interest Period shall end on such Facility Termination Date and the duration of each Interest Period which commences on or after the Facility Termination Date shall be of such duration as shall be selected by such Managing Agent; and
- (c) any Interest Period in respect of which Yield is computed by reference to the CP Rate may be terminated at the election of the applicable Managing Agent any time, in which case the Portion of Advances allocated to such terminated Interest Period shall be allocated to a new Interest Period commencing on (and including) the date of such termination and ending on (but excluding) the next following Settlement Date, and shall accrue Yield at the Alternate Rate.

“Interest Reserve” shall mean, as of any date of determination, an amount equal to the product of (i) 1.5, (ii) the Base Rate, (iii) the Outstanding Principal Amount and (iv) a fraction, the numerator of which is the higher of (a) 30 and (b) the Receivables Collection Turnover as of the end of the Settlement Period immediately preceding such date multiplied by 2, and the denominator of which is 360.

“Investment Company Act” shall mean the provisions of the Investment Company Act of 1940, 15 U.S.C. § 80a et seq., and any regulations promulgated thereunder.

“Investments” shall mean, with respect to any Borrower Account Collateral, the certificates, instruments, investment property or other investments in which amounts constituting such collateral are invested from time to time.

“IRC” shall mean the Internal Revenue Code of 1986 and any regulations promulgated thereunder.

“IRS” shall mean the Internal Revenue Service.

“KYC Package” means the documentation and other information requested by the Administrative Agent or any Affected Party in any KYC Request.

“KYC Request” means any reasonable request of the Administrative Agent or any Affected Party for documentation and other information so requested in connection with applicable “know your customer” and anti-money-laundering rules and regulations, including the USA Patriot Act.

“Lender” shall have the meaning assigned to it in the preamble of the Funding Agreement.

“Lender Group” shall mean each of the following groups:

- (a) the BNS Lender Group;
- (b) the MUFG Lender Group;
- (c) the SMBC Lender Group;
- (d) the BANA Lender Group;
- (e) the Wells Lender Group;
- (f) the TD Lender Group;
- (g) the Crédit Agricole Lender Group;
- (h) the PNC Lender Group;
- (i) the Mizuho Lender Group; and

(j) for each additional Lender Group party to the Funding Agreement after the Closing Date, the applicable Conduit Lender (if any) and its Administrator, the applicable Managing Agent and the related Committed Lenders from time to time party hereto.

“Liberty Street Administrator” shall mean The Bank of Nova Scotia or an Affiliate thereof, as administrator for the BNS Discretionary Lender.

“Lien” shall mean any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the UCC or comparable law of any jurisdiction).

“Litigation” shall mean, with respect to any Person, any action, claim, lawsuit, demand, investigation or proceeding pending or threatened against such Person before any court, board, commission, agency or instrumentality of any federal, state, local or foreign government or of any agency or subdivision thereof or before any arbitrator or panel of arbitrators.

“Lockbox” shall mean one or more lockboxes or post office boxes into which Collections are deposited by check or money order, each as set forth on Schedule 4.01(q) to the Funding Agreement, and references to any Lockbox shall be understood to be references to any

lockboxes associated with the relevant Collection Account or Concentration Account, as applicable, and governed by the relevant Collection Account Agreement or Concentration Account Agreement, as applicable.

“Loss Reserve Floor Percentage” means the largest of: (a) the sum of the five (5) largest Obligor Percentages of the Class D Obligors, (b) the sum of the three (3) largest Obligor Percentages of the Class C Obligors, (c) the sum of the two (2) largest Obligor Percentages of the Class B Obligors and (d) the largest Obligor Percentage of the Class A Obligors; provided, however, that (i) if there is not a Class A Obligor in the Top Ten Obligors, clause (d) above shall be calculated based on the smallest Obligor Percentage of the Top Ten Obligors, (ii) if there are not two Class B Obligors in the Top Ten Obligors, clause (c) above shall be calculated based on the largest Obligor Percentage of the Class B Obligor that is in the Top Ten Obligors, if applicable, and the smallest or two smallest, as applicable, Obligor Percentage(s) of the Top Ten Obligors, (iii) if there are not three Class C Obligors in the Top Ten Obligors, clause (b) above shall be calculated based on the largest or two largest, as applicable, Obligor Percentage(s) of the Class C Obligor(s) that is in the Top Ten Obligors, if applicable, and the smallest or two or three smallest, as applicable, Obligor Percentage(s) of the Top Ten Obligors and (iv) if there are not five Class D Obligors in the Top Ten Obligors, clause (a) above shall be calculated based on the largest, two largest, three largest or four largest, as applicable, Obligor Percentage(s) of the Class D Obligor(s) that is in the Top Ten Obligors, if applicable, and the smallest or two or three or four or five smallest, as applicable, Obligor Percentage(s) of the Top Ten Obligors.

“Loss Reserve Ratio” shall mean, subject to Section 2(e), as of any date of determination, the ratio (expressed as a percentage) calculated in accordance with the following formula:

$$LRR = LHF \div ARR \times 2.25$$

where

LRR = the Loss Reserve Ratio;

LHF = a Loss Horizon Factor equal to (x) (i) if a Ratings Event has occurred and is continuing, the aggregate Billed Amount of Transferred Receivables originated during the three (3) most recent Settlement Periods preceding such date and (ii) otherwise, the sum of (A) the aggregate Billed Amount of Transferred Receivables originated during the most recent Settlement Period preceding such date, plus (B) an amount equal to 50.0% of the aggregate Billed Amount of Transferred Receivables originated during the second most recently ended Settlement Period preceding such date, plus (C) an amount equal to 30.0% of the aggregate Billed Amount of Transferred Receivables originated during the third most recently ended Settlement Period preceding such date, *divided by* (y) the Net Receivables Balance as of the end of the Settlement Period immediately preceding such date; and

ARR = as of any date of determination, the highest quotient occurring during the twelve most recent Settlement Periods of (i) the aggregate Billed Amount of all Transferred Receivables (other than Specified Excluded Receivables) which became Defaulted Receivables during the three most recent calendar Settlement Periods immediately preceding such date divided by (ii) the

aggregate Outstanding Balance of all Transferred Receivables (other than Specified Excluded Receivables) originated during the fifth through seventh calendar Settlement Periods immediately preceding such date.

“MAFC Administrator” shall mean SMBC Nikko Securities America, Inc. or an Affiliate thereof, as administrator for the SMBC Discretionary Lender.

“Managing Agent” means, with respect to any Lender Group, the Person acting as Managing Agent for such Lender Group and designated as such on the signature pages hereto or in any Assignment Agreement under the Funding Agreement, and each of its successors and assigns.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, assets, liabilities, operations, or financial or other condition of (i) the Originators considered as a whole, (ii) the Borrower, (iii) the Servicer or (iv) the Parent and its Subsidiaries considered as a whole, (b) the ability of any Originator, the Borrower, the Parent or the Servicer to perform any of their respective obligations under the Related Documents in accordance with the terms thereof, (c) the validity or enforceability of any Related Document or the rights and remedies of the Borrower, the Managing Agents, the Lenders or the Administrative Agent under any Related Document, (d) the federal income tax attributes of the sale, contribution or pledge of the Transferred Receivables pursuant to any Related Document or (e) the Transferred Receivables (or collectability thereof), the Contracts therefor, the Borrower Collateral (in each case, taken as a whole) or the ownership interests or Liens of the Borrower or the Lenders or the Administrative Agent thereon or the priority of such interests or Liens.

“Maturity Date” shall mean, with respect to any Receivable, the due date for payment therefor specified in the Contract therefor, or, if no date is so specified, 30 days from the Billing Date.

“Minimum Reserve Ratio” shall mean, as of any date of determination, the ratio (expressed as a percentage) calculated in accordance with the following formula:

$$\text{MRR} = [\text{the greater of 4.0\% and (ADR x DHF)}] + \text{CF}$$

where

MRR = the Minimum Reserve Ratio;

ADR = the aggregate Dilution Factors for all Transferred Receivables for the twelve most recent calendar Settlement Periods divided by the aggregate Billed Amount of Transferred Receivables (other than Specified Excluded Receivables) for such twelve most recent calendar Settlement Periods;

DHF = the Dilution Horizon Factor; and

CF = a concentration factor equal to the Loss Reserve Floor Percentage.

“Mizuho Committed Lender” shall mean Mizuho Bank, Ltd., and each other Lender party hereto from time to time as a “Mizuho Committed Lender”.

“Mizuho Lender Group” shall mean Mizuho Bank, Ltd., as Managing Agent, and the Mizuho Committed Lenders.

“Monthly Report” shall have the meaning assigned to it in paragraph (a) of Annex 5.02(a) to the Funding Agreement.

“Moody’s” shall mean Moody’s Investors Service, Inc. or any successor thereto.

“MUFG Committed Lender” shall mean MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., and each other Lender party hereto from time to time as a “MUFG Committed Lender”.

“MUFG Discretionary Lender” shall mean Gotham Funding Corporation and each Conduit Assignee thereof.

“MUFG Lender Group” shall mean the Gotham Administrator, MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., as Managing Agent, the MUFG Committed Lenders and the MUFG Discretionary Lenders.

“Multiemployer Plan” shall mean a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA with respect to which any Credit Party or any ERISA Affiliate of such Credit Party is making, is obligated to make, or has made or been obligated to make, contributions on behalf of participants who are or were employed by any of them.

“Net Receivables Balance” means, as of any date of determination, the amount equal to:

- (a) the Outstanding Balance of Eligible Receivables, *minus*
- (b) the sum of:
 - (i) the aggregate amount by which the aggregate Outstanding Balance of Eligible Receivables of each Obligor as of such date exceeds the product of (A) the Concentration Percentage for such Obligor on such date *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date, *plus*
 - (ii) the aggregate amount by which the aggregate Outstanding Balance of Eligible Receivables of all Eligible Foreign Obligors as of such date exceeds the product of (A) 5.0% *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date, *plus*
 - (iii) the aggregate amount by which the aggregate Outstanding Balance of Eligible Receivables, the Obligor of which is a Governmental Authority as of such date exceeds the product of (A) 5.0% *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date, *plus*
 - (iv) the aggregate amount by which the aggregate Outstanding Balance of Permitted Affiliate Receivables as of such date exceeds the product of (A) 4.0% *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date, *plus*
 - (v) the aggregate amount by which the aggregate Outstanding Balance of Eligible Receivables which remain unpaid from 1 to 30 days after its original due date for payment as of such date exceeds the product of (A)

50.0% *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date, *plus*

(vi) the aggregate amount by which the aggregate Outstanding Balance of Eligible Receivables which remain unpaid from 31 to 60 days after its original due date for payment as of such date exceeds the product of (A) 30.0% *multiplied by* (B) the aggregate Outstanding Balance of all Eligible Receivables as of such date,

in each case as disclosed in the most recently submitted Borrowing Base Certificate or Borrowing Request or as otherwise determined by the Administrative Agent based on Borrower Collateral information available to it, including any information obtained from any audit or from any other reports with respect to the Borrower Collateral, which determination shall be final, binding and conclusive on all parties to the Funding Agreement (absent manifest error).

“Net Worth” means as of any date of determination, the excess, if any, of (a) the aggregate Outstanding Balance of the Transferred Receivables as of such date, over (b) the sum of (i) the Outstanding Principal Amount as of such date, plus (ii) the aggregate outstanding principal balance of the Subordinated Loans (including any Subordinated Loan proposed to be made on such date of determination).

“Non-Accordion Facility Limit” means the Facility Limit without giving effect to any increases pursuant to Section 2.02(c) of the Funding Agreement, but giving effect to any increases pursuant to Section 2.02(e) of the Funding Agreement.

“Non-Consenting Lender” means any Lender, that does not approve any proposed consent, waiver, amendment or other modification of any Related Document that (i) requires the consent of all affected Lenders, the consent of Requisite Lenders is obtained, but the consent of other Lenders whose consent is required is not obtained or (ii) requires the consent of all Lenders, the consent of Requisite Lenders is obtained, but the consent of all Lenders is not obtained.

“Non-Funding Lender” shall have the meaning assigned to it in Section 2.03(e) of the Funding Agreement.

“Obligor” shall mean, with respect to any Receivable, the Person primarily obligated to make payments in respect thereof.

“Obligor Percentage” means, at any time of determination, for each Obligor, a fraction, expressed as a percentage, (a) the numerator of which is the aggregate Outstanding Balance of the Eligible Receivables of such Obligor and its Affiliates less the amount (if any) then included in the calculation of clause (b)(i) of the definition of Net Receivables Balance with respect to such Obligor and its Affiliates and (b) the denominator of which is the aggregate Outstanding Balance of all Eligible Receivables at such time.

“OECD Country” means a country which is a member of the Organization for Economic Cooperation and Development.

“Officer’s Certificate” shall mean, with respect to any Person, a certificate signed by an Authorized Officer of such Person.

“Official Body” means any government or political subdivision or any agency, authority, bureau, central bank, commission, department or instrumentality of any such government or political subdivision, or any court, tribunal, grand jury or arbitrator, or any

accounting board or authority (whether or not a part of government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case whether foreign or domestic.

“Originator” shall have the meaning assigned to it in the preamble to the Sale Agreement.

“Originator Collection Account” shall mean any “Collection Account” and related Lockboxes (if any) set forth on Schedule 4.01(q) to the Funding Agreement, established by any Originator and maintained by such Originator at a Collection Account Bank, which account shall be subject to a Collection Account Agreement.

“Originator Support Agreement” shall mean an agreement substantially in the form of Exhibit 2.03 to the Sale Agreement made by Parent in favor of the Borrower.

“Other Lender” shall have the meaning assigned to it in Section 2.03(e) of the Funding Agreement.

“Outstanding Balance” shall mean, with respect to any Receivable, as of any date of determination, the amount (which amount shall not be less than zero) equal to (a) the Billed Amount thereof, minus (b) all Collections received from the Obligor thereunder, minus (c) all discounts to, or any other modifications by, the Originator, the Borrower or the Servicer that reduce such Billed Amount; *provided* that if the Administrative Agent or the Servicer makes a good faith determination that all payments by such Obligor with respect to such Billed Amount have been made, the Outstanding Balance shall be zero.

“Outstanding Principal Amount” shall mean, as of any date of determination, the amount equal to (a) the aggregate Advances made by the Lenders under the Funding Agreement on or before such date, minus (b) the aggregate amounts disbursed to any Lender in reduction of the principal of such Advances pursuant to the Funding Agreement on or before such date and not required to be returned as preference payments or otherwise; *provided* that references to the Outstanding Principal Amount of any Lender shall mean an amount equal to (x) the aggregate Advances made by such Lender pursuant to the Funding Agreement on or before such date, minus (y) the aggregate amounts disbursed to such Lender in reduction of the principal of such Advances pursuant to the Funding Agreement on or before such date and not required to be returned as preference payments or otherwise.

“Parent” shall have the meaning assigned to it in the preamble to the Sale Agreement.

“Parent Group” shall mean the Parent and each of its Affiliates other than the Borrower.

“Participant Register” shall have the meaning assigned to it in Section 12.02(i) of the Funding Agreement.

“PBGC” shall mean the Pension Benefit Guaranty Corporation.

“Pension Plan” shall mean any employee pension benefit plan as defined in Section 3(2) of ERISA subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which a Credit Party or any ERISA Affiliate of such Credit Party is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Permitted Affiliate Obligor” shall mean the Obligor of a Permitted Affiliate Receivable. For the avoidance of doubt, there are no Permitted Affiliate Obligors as of the Closing Date.

“Permitted Affiliate Receivable” shall mean any Receivable (x) the Obligor of which is an Affiliate of any Originator (other than an Affiliate that is a Subsidiary of an Originator) which was originated in the ordinary course of the applicable Originator’s business on an arm’s length basis on terms comparable to those any other Receivable generated by the applicable Originator with respect to a third party Obligor and is payable in cash (and not an intercompany credit or offset of any nature) and (y) that has been approved in writing by each of the Managing Agents in their sole discretion. For the avoidance of doubt, there are no Permitted Affiliate Receivables as of the Closing Date.

“Permitted Encumbrances” shall mean the following encumbrances: (a) Liens for taxes or assessments or other governmental charges or levies not yet due and payable; (b) pledges or deposits securing obligations under workmen’s compensation, unemployment insurance, social security or public liability laws or similar legislation; (c) pledges or deposits securing bids, tenders, government contracts, contracts (other than contracts for the payment of money) or leases to which any Originator, the Borrower or the Servicer is a party as lessee made in the ordinary course of business; (d) deposits securing statutory obligations of any Originator, the Borrower or the Servicer; (e) inchoate and unperfected workers’, mechanics’, suppliers’ or similar Liens arising in the ordinary course of business; (f) carriers’, warehousemen’s or other similar possessory Liens arising in the ordinary course of business; (g) deposits securing, or in lieu of, surety, appeal or customs bonds in proceedings to which any Originator, the Borrower or the Servicer is a party; (h) any judgment Lien not constituting a Termination Event under Section 8.01(g) of the Funding Agreement; (i) Liens existing on the Closing Date and listed on Schedule 5.03(b) of the Funding Agreement; and (j) presently existing or hereinafter created Liens in favor of the Buyer, the Borrower, the Lenders or the Administrative Agent under the Funding Agreement and the Related Documents.

“Person” shall mean any individual, sole proprietorship, partnership, joint venture, unincorporated organization, trust, association, corporation (including a business trust), limited liability company, institution, public benefit corporation, joint stock company, Governmental Authority or any other entity of whatever nature.

“Plan” shall mean, at any time during the preceding five years, an “employee benefit plan,” as defined in Section 3(3) of ERISA, that any Credit Party or any ERISA Affiliate of such Credit Party maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any Credit Party or any ERISA Affiliate of such Credit Party.

“PNC Committed Lender” shall mean PNC Bank, National Association and each other Lender party hereto from time to time as a “PNC Committed Lender”.

“PNC Lender Group” shall mean PNC Bank, National Association, as Managing Agent, and the PNC Committed Lenders.

“Portion of Advances” shall have the meaning assigned to it in Section 2.06 of the Funding Agreement.

“Power of Attorney” shall have the meaning assigned to it in Section 9.05 of the Sale Agreement or Section 9.03 of the Funding Agreement, as applicable.

“Prior Closing Date” shall mean November 12, 2010.

“Program Fee” shall have the meaning assigned to it in the Fee Letter.

“Program Support Agreement” means and includes, with respect to any Conduit Lender, any agreement entered into by any Program Support Provider providing for the issuance of one or more letters of credit for the account of the Conduit Lender (or any related commercial paper issuer that finances the Conduit Lender), the issuance of one or more surety bonds for which the Conduit Lender (or such related issuer) is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, the sale by the Conduit Lender (or such related issuer) to any Program Support Provider of the Borrower Obligation outstanding to such Conduit Lender (or portions thereof or participations therein) and/or the making of loans and/or other extensions of credit to the Conduit Lender (or such related issuer) in connection with its commercial paper program, together with any letter of credit, surety bond or other instrument issued thereunder.

“Program Support Provider” means and includes, with respect to any Conduit Lender, any Person now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, the Conduit Lender (or any related commercial paper issuer that finances the Conduit Lender) or issuing a letter of credit, surety bond or other instrument to support any obligations arising under or in connection with the Conduit Lender’s (or such related issuer’s) commercial paper program.

“Projections” shall mean the Parent’s forecasted consolidated: (a) balance sheets; (b) profit and loss statements; and (c) cash flow statements consistent with the historical financial statements of the Parent, together with appropriate supporting details and a statement of underlying assumptions.

“Pro Rata Share” shall mean with respect to all matters relating to any Lender, the percentage obtained by dividing (i) the Commitment (excluding any Accordion Commitment) of that Lender by (ii) the Aggregate Commitment (excluding any Accordion Commitment), as such percentage may be adjusted by assignments permitted pursuant to Section 12.02 of the Funding Agreement; *provided* that if all of the Commitments are terminated pursuant to the terms of the Funding Agreement, then “Pro Rata Share” shall mean with respect to all matters relating to any Lender, the percentage obtained by dividing (x) the sum of such Lender’s Advances (excluding any Accordion Advanced Amount), by (y) the aggregate Outstanding Principal Amount (excluding any Accordion Advanced Amount).

“Qualified Plan” shall mean a Pension Plan that is intended to be tax-qualified under Section 401(a) of the IRC.

“Rate Type” means Adjusted SMIR, the Base Rate or the CP Rate.

“Rating Agency” shall mean Moody’s or S&P.

“Ratings” means for any Conduit Lender or any other Lender which requires such a “Rating” in connection with the Funding Agreement, the ratings by the Rating Agencies of such Person of the indebtedness for borrowed money of such Person.

“Ratings Event” means, at any time of determination, two or more of the following events have occurred and are continuing: (i) any class of Parent’s non-credit enhanced long-term senior unsecured debt rated by S&P is rated below BB, or if no such Debt is then outstanding, Parent’s Long Term Corporate Rating by S&P is below BB (or Parent does not have a Long Term Corporate Family Rating by S&P), (ii) any class of Parent’s non-credit enhanced long-term senior unsecured debt rated by Fitch is rated below BB, or if no such Debt is then outstanding, Parent’s Long Term Corporate Rating by Fitch is below BB (or Parent does not

have a Long Term Corporate Family Rating by Fitch) or (iii) any class of Parent's non-credit enhanced long-term senior unsecured debt rated by Moody's is rated below Ba2, or if no such Debt is then outstanding, Parent's Long Term Corporate Family Rating by Moody's is below Ba2 (or Parent does not have a Long Term Corporate Family Rating by Moody's).

"Ratings Period" means, each period (if any) (a) beginning on the date (if any) that is forty-five (45) days following the occurrence of a Ratings Event and (b) ending on the date (if any) following the commencement of such Ratings Period that no Ratings Event is continuing.

"Ratios" shall mean, collectively, the Default Ratio, the Default Trigger Ratio, the Delinquency Ratio, the Dilution Ratio, the Dilution Reserve Ratio, the Dilution Trigger Ratio, the Loss Reserve Ratio and the Receivables Collection Turnover.

"Receivable" shall mean, with respect to any Obligor:

(a) indebtedness of such Obligor (whether constituting an account, chattel paper, document, instrument or general intangible (under which the Obligor's principal obligation is a monetary obligation) and whether or not earned by performance) arising from the provision of merchandise, goods or services by an Originator, or other Person approved by the Administrative Agent and the Lenders in their sole discretion, to such Obligor (or in the case of a Financing Receivable, to a third party), including the right to payment of any interest or finance charges and other obligations of such Obligor with respect thereto;

(b) all Liens and property subject thereto from time to time, if any, securing or purporting to secure any such indebtedness of such Obligor, whether pursuant to the related Contract or otherwise, together with all financing statements and other filings authorized by such Obligor relating thereto;

(c) all guaranties, indemnities and warranties, insurance policies, financing statements, supporting obligations and other agreements or arrangements of whatever character from time to time supporting or securing payment of any such indebtedness, whether pursuant to the related Contract or otherwise;

(d) any Returned Goods and documentation of title evidencing the shipment or storage of any goods relating to any sale giving rise to such Receivable;

(e) all Collections with respect to any of the foregoing;

(f) all Records with respect to any of the foregoing; and

(g) all proceeds with respect to any of the foregoing.

"Receivables Assignment" shall have the meaning assigned to it in Section 2.01(a) of the Sale Agreement.

"Receivables Collection Turnover" shall mean, subject to Section 2(e), as of any date of determination, the amount (expressed in days) equal to:

(a) a fraction, (i) the numerator of which is equal to the aggregate Outstanding Balance of Transferred Receivables (other than Specified Excluded Receivables) on the first day of the Settlement Period immediately preceding such date and (ii) the denominator of which is equal to the aggregate Collections received during such Settlement Period with respect to all Transferred Receivables (other than Specified Excluded Receivables),

multiplied by

(b) the number of days per period contained in such Settlement Period.

“Receivables Collection Turnover Trigger” shall mean, as of any date of determination, the amount (expressed in days) equal to:

(a) a fraction, (i) the numerator of which is equal to the aggregate Outstanding Balance of Transferred Receivables (other than Specified Excluded Receivables) on the first day of the three (3) Settlement Periods immediately preceding such date and (ii) the denominator of which is equal to the aggregate Collections received during such three (3) Settlement Periods with respect to all Transferred Receivables (other than Specified Excluded Receivables),

multiplied by

(b) the average number of days per period contained in such three (3) Settlement Periods.

“Records” shall mean all Contracts and other documents, books, records and other information (including customer lists, credit files, computer programs, tapes, disks, data processing software and related property and rights) prepared and maintained by any Originator, the Servicer, any Sub-Servicer or the Borrower with respect to the Receivables and the Obligors thereunder and the Borrower Collateral.

“Reference Time” with respect to any setting of the then-current Benchmark means 5:00 a.m. (Chicago time) on the day that is two Business Days preceding the date of such setting.

“Register” shall have the meaning assigned to it in Section 12.02(i) of the Funding Agreement.

“Regulatory Change” shall mean any change after the Prior Closing Date in any federal, state or foreign law, regulation (including Regulation D of the Federal Reserve Board), pronouncement by the Financial Accounting Standards Board or the adoption or making after such date of any interpretation, directive or request under any federal, state or foreign law or regulation (whether or not having the force of law) by any Governmental Authority, the Financial Accounting Standards Board, or any central bank or comparable agency, charged with the interpretation or administration thereof, including an Accounting Based Consolidation Event, that, in each case, is applicable to any Affected Party; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Regulatory Change”, regardless of the date enacted, adopted or issued.

“Rejected Amount” shall have the meaning assigned to it in Section 4.04 of the Sale Agreement.

“Related Committed Lenders” shall mean, with respect to any Discretionary Lender, the Committed Lenders in such Discretionary Lender’s Lender Group.

“Related Documents” shall mean each Account Agreement, the Sale Agreement, the Funding Agreement, the Revolving Notes, each Receivables Assignment, the Subordinated

Notes, each Originator Support Agreement, the Fee Letter and all other agreements, instruments, documents and certificates delivered in connection therewith and including all other pledges, powers of attorney, consents, assignments, contracts, notices, and all other written matter whether heretofore, now or hereafter executed by or on behalf of any Person, or any employee of any Person, and delivered in connection with the Sale Agreement, the Funding Agreement or the transactions contemplated thereby. Any reference in the Sale Agreement, the Funding Agreement or any other Related Document to a Related Document shall include all Appendices thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to such Related Document as the same may be in effect at any and all times such reference becomes operative.

“Release” shall have the meaning assigned to it in Section 2.08(c) of the Funding Agreement.

“Relevant Governmental Body” means, the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“Reliant Administrator” shall mean TD or an Affiliate thereof, as administrator for the TD Discretionary Lender.

“Repayment Notice” shall have the meaning assigned to it in Section 2.03(h) of the Funding Agreement.

“Reportable Event” shall mean any of the events set forth in Section 4043(c) of ERISA.

“Reporting Date” means the date each Monthly Report, Weekly Report or Daily Report, as applicable, is required to be delivered pursuant to Annex 5.02(a) to the Funding Agreement.

“Required Capital Amount” means, at any time of determination, an amount equal to (a) the Loss Reserve Ratio times 1.25 times the Net Receivables Balance plus (b) the Outstanding Balance of all Transferred Receivables (other than Charge-Offs) on which any amount is unpaid more than 90 days past its Maturity Date plus (c) the sum of the amount by which the aggregate Outstanding Balance of Eligible Receivables for each of the three largest Obligor exceeds the product of (A) the Concentration Percentage for such Obligor at such time multiplied by (B) the Outstanding Balance of all Eligible Receivables at such time.

“Requisite Lenders” shall mean, collectively, three or more Committed Lenders having in the aggregate more than fifty-one percent (51%) of the Aggregate Commitment, or (b) if the Commitments have been terminated, three or more Committed Lenders having in the aggregate more than fifty-one percent (51%) aggregate Outstanding Principal Amount; *provided* that if at any time there are two or fewer Committed Lenders party to the Funding Agreement, “Requisite Lenders” shall mean each such Committed Lender.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Retiree Welfare Plan” shall mean, at any time, a Welfare Plan that provides for continuing coverage or benefits for any participant or any beneficiary of a participant after such participant’s termination of employment, other than continuation coverage provided pursuant to

Section 4980B of the IRC or at the sole expense of the participant or the beneficiary of the participant.

“Returned Goods” shall mean, with respect to any Receivable, all right, title and interest of any Originator, the Borrower, the Administrative Agent or the Lenders, as applicable, in and to returned, repossessed or foreclosed goods and/or merchandise, the sale of which gave rise to such Receivable.

“Revolving Note” shall have the meaning assigned to it in Section 2.01(a)(ii) of the Funding Agreement.

“Rule 17g-5” shall mean Rule 17g-5 under the Securities Exchange Act of 1934 as such may be amended from time to time, and subject to such clarification and interpretation as has been provided by the Securities and Exchange Commission in the adopting release (Amendments to Rules for Nationally Recognized Statistical Rating Organizations, Exchange Act Release No. 34-61050, 74 Fed. Reg. 63,832, 63,865 (Dec. 4, 2009)) and subject to such clarification and interpretation as may be provided by the Securities and Exchange Commission or its staff from time to time.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business.

“Sale” shall mean, with respect to a sale of receivables under the Sale Agreement, a sale of Receivables by an Originator to the Borrower in accordance with the terms of the Sale Agreement.

“Sale Agreement” shall mean that certain Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of January 23, 2009, by and among each Originator, the Servicer and the Borrower, as the Buyer thereunder.

“Sale Price” shall mean, with respect to any Sale of any Sold Receivable, a price calculated by the Borrower and approved from time to time by the Administrative Agent equal to:

- (a) the Outstanding Balance of such Sold Receivable, minus
- (b) a discount reflecting the expected costs to be incurred by the Borrower in financing the purchase of such Sold Receivable until the Outstanding Balance of such Sold Receivable is paid in full, minus
- (c) a discount reflecting the portion of such Sold Receivable that is reasonably expected by such Originator on the Transfer Date to become a Defaulted Receivable by reason of clause (b) of the definition thereof, minus
- (d) a discount reflecting the portion of such Sold Receivable that is reasonably expected by such Originator on the Transfer Date to be reduced on account of Dilution Factors, minus
- (e) amounts expected to be paid to the Servicer with respect to the servicing, administration and collection of such Sold Receivable;

provided that such calculations shall be determined based on the historical experience of (y) such Originator, with respect to the calculations required in each of clauses (c) and (d) above, and (z) the Borrower, with respect to the calculations required in clauses (b) and (e) above.

“Sanctioned Country” shall mean, at any time, a country or territory which is the subject or target of any countrywide or territory-wide Sanctions, including, on the First Omnibus Amendment Effective Date, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk People’s Republic and the so-called Luhansk People’s Republic regions of Ukraine.

“Sanctioned Person” shall mean, at any time (i) a Person currently the subject or the target of any Sanctions, including any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, and (ii) any Person controlled by any such Person.

“Sanctions” shall mean any international economic sanction or trade embargo administered or enforced by the United States government, including, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the United Nations Security Council, the European Union (not to include those protecting against the effects of extraterritorial sanctions by other nations), Her Majesty’s Treasury or other relevant sanctions authority of OECD member countries.

“Second Omnibus Amendment Effective Date” shall mean November 27, 2013.

“Secured Parties” means the Lenders, the Administrative Agent, each Managing Agent, each Administrator and each of the Program Support Providers; *provided* that a Program Support Provider shall only be a Secured Party hereunder if such Program Support Provider is both a Lender hereunder and a regulated banking institution.

“Securities Act” shall mean the provisions of the Securities Act of 1933, 15 U.S.C. Sections 77a et seq., and any regulations promulgated thereunder.

“Securities Exchange Act” shall mean the provisions of the Securities Exchange Act of 1934, 15 U.S.C. Sections 78a et seq., and any regulations promulgated thereunder.

“Securitisation Regulation Rules” means the EU Securitisation Regulation Rules and the UK Securitisation Regulation Rules.

“Securitisation Regulations” means the EU Securitisation Regulation and the UK Securitisation Regulation.

“Securitization Program” means, with respect to any Person, any financing or sales transaction or series of financing or sales transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may, directly or indirectly, sell, convey, or otherwise transfer, or grant a security interest in Receivables, accounts, payments, or receivables (whether such accounts, payments, or receivables are then existing or arising in the future), collections and other proceeds arising therefrom, any rights to future lease payments or residuals or similar rights to payment to, or any securitization related property to a special purpose Subsidiary or Affiliate of such Person.

“Servicer” shall have the meaning assigned to it in the preamble to the Sale Agreement.

“Servicer Termination Notice” shall mean any notice by the Administrative Agent to the Servicer that (a) an Event of Servicer Termination has occurred and (b) the Servicer’s appointment under the Funding Agreement has been terminated.

“Servicing Fee” shall mean, for any day within a Settlement Period, the amount equal to (a) (i) the Servicing Fee Rate divided by (ii) 360, multiplied by (b) the aggregate Outstanding Balance of Transferred Receivables on such day.

“Servicing Fee Rate” shall mean 1.00%.

“Servicing Fee Reserve” shall mean, as of any date of determination, an amount equal to the product of (i) the Servicing Fee Rate, (ii) the aggregate Outstanding Balance of Transferred Receivables and (iii) a fraction, the numerator of which is the higher of (a) 30 and (b) the Receivables Collection Turnover as of the end of the Settlement Period immediately preceding such date multiplied by 2, and the denominator of which is 360.

“Servicing Records” shall mean all Records prepared and maintained by the Servicer with respect to the Transferred Receivables and the Obligors thereunder.

“Settlement Date” shall mean (i) the twenty-second day of each calendar month (or, if such day is not a Business Day, the immediately succeeding Business Day), and (ii) from and after the occurrence of a Termination Event, any other day designated as such by the Administrative Agent in its sole discretion.

“Settlement Period” shall mean (a) solely for purposes of determining the Ratios, (i) with respect to all Settlement Periods other than the final Settlement Period, each calendar month, whether occurring before or after the Closing Date, and (ii) with respect to the final Settlement Period, the period ending on the Termination Date and beginning with the first day of the calendar month in which the Termination Date occurs, and (b) for all other purposes, (i) with respect to the initial Settlement Period, the period from and including the Prior Closing Date through and including the last day of the calendar month in which the Prior Closing Date occurs, (ii) with respect to the final Settlement Period, the period ending on the Termination Date and beginning with the first day of the calendar month in which the Termination Date occurs, and (iii) with respect to all other Settlement Periods, each calendar month.

“SMBC Committed Lender” shall mean Sumitomo Mitsui Banking Corporation and each other Lender party hereto from time to time as an “SMBC Committed Lender”.

“SMBC Discretionary Lender” shall mean Manhattan Asset Funding Company LLC and each Conduit Assignee thereof.

“SMBC Lender Group” shall mean the MAFC Administrator, SMBC Nikko Securities America, Inc., as Managing Agent, the SMBC Committed Lenders and the SMBC Discretionary Lenders.

“SMIR” means, for any day during any Interest Period, the rate per annum determined by the Administrative Agent as the forward-looking one-month term rate based on SOFR, as such rate is published by the CME Term SOFR Administrator on such day, or if such day is not a Business Day, as of the immediately preceding Business Day.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Adjustment” means 0.10%.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the NYFRB’s Website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Sold Receivable” shall have the meaning assigned to it in Section 2.01(b) of the Sale Agreement.

“Solvent” shall mean, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person; (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its Debts as they become absolute and matured; (c) such Person does not intend to, and does not believe that it will, incur Debts or liabilities beyond such Person’s ability to pay as such Debts and liabilities mature; and (d) such Person is not engaged in a business or transaction, and is not about to engage in a business or transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of contingent liabilities (such as Litigation, guaranties and pension plan liabilities) at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Special Obligor” shall mean one or more Class A Obligors, Class B Obligors, Class C Obligors or Class D Obligors whose “Individual Obligor Percentage” of Eligible Receivables (as specified in the definition of “Concentration Percentage”) is adjusted as permitted under the Funding Agreement to a percentage greater than such “Individual Obligor Percentage” of Eligible Receivables, which adjustment has been approved in writing as a Special Obligor by notice substantially in the form of Annex Z to the Funding Agreement, following a request by the Parent to the Administrative Agent. Any Lender may revoke Special Obligor status at any time. The Special Obligors as of the Closing Date, and the “Individual Obligor Percentages” applicable to each, shall be as set forth in the Fee Letter until such status is revoked by any Lender.

“Specified Excluded Receivable” shall include (i) any Receivable the Obligor of which is an Excluded Obligor of the type described in clause (a) of the definition of “Excluded Obligor” and (ii) any Transferred Receivable which is not an “Eligible Receivable” because it is not due and payable within 120 days after its Billing Date (i.e., a “long term receivable”).

“Specified Filings” shall mean each of the UCC financing statements attached as an annex to the Fee Letter.

“Specified Filing Documents” shall mean each sale agreement, factoring agreement, assignment agreement, assignment and sale agreement, purchase agreement, accounts receivable purchase agreement or related document or agreement entered into in connection with any Specified Filing.

“Stock” shall mean all shares, options, warrants, member interests, general or limited partnership interests or other equivalents (regardless of how designated) of or in a corporation, limited liability company, partnership or equivalent entity whether voting or nonvoting, including common stock, preferred stock or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act).

“Stockholder” shall mean, with respect to any Person, each holder of Stock of such Person.

“Subordinated Loan” shall have the meaning given such term in Section 2.01(c) of the Sale Agreement.

“Subordinated Note” shall have the meaning given such term in Section 2.01(c) of the Sale Agreement.

“Sub-Servicer” shall mean any Person with whom the Servicer enters into a Sub-Servicing Agreement.

“Sub-Servicing Agreement” shall mean any written contract entered into between the Servicer and any Sub-Servicer pursuant to and in accordance with Section 7.01 of the Sale Agreement relating to the servicing, administration or collection of the Transferred Receivables.

“Subsidiary” shall mean, with respect to any Person, any corporation or other entity (a) of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at the time directly or indirectly owned by such Person or (b) that is directly or indirectly controlled by such Person within the meaning of control under Section 15 of the Securities Act.

“Successor Servicer” shall have the meaning assigned to it in Section 9.02 of the Sale Agreement.

“Successor Servicing Fees and Expenses” shall mean the fees and expenses payable to the Successor Servicer as agreed to by the Borrower, the Managing Agent and the Administrative Agent.

“Synthetic Lease” shall mean, as to any Person, (i) a synthetic, off-balance sheet or tax retention lease, or (ii) an agreement for the use or possession of real or personal property, in each case, creating obligations that may not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Law to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Synthetic Lease Obligation” means the monetary obligation of a Person under a Synthetic Lease.

“Tax Notice Amount” shall mean, as of any date of determination, an amount equal to the aggregate amount of all notices of deficiency (e.g., Form CP3219A) and other assessment by any Governmental Authority of Taxes (including but without limitation, if applicable, but without duplication, levies or liens for Taxes under Code Sections 6321, 6322, 6851, 6852, or 6861 (or other similar provision of the Code, state or local law) issued, assessed or imposed by any Governmental Authority (assuming all such notices, levies or liens are outstanding and not cured)) with respect to any Persons (including the Borrower) that are the parent or members of an affiliated, consolidated, combined or unitary group of which the Borrower (or any predecessor) is or was a member.

“Tax Reserve” shall mean, as of any date of determination, an amount equal to (i) if the Tax Notice Amount at such time is less than \$75,000,000, then zero and (ii) otherwise, the Tax Notice Amount at such time.

“TD” shall mean The Toronto-Dominion Bank.

“TD Committed Lender” shall mean The Toronto-Dominion Bank, and each other Lender party hereto from time to time as a “TD Committed Lender”.

“TD Discretionary Lender” shall mean Reliant Trust, and each other Lender party hereto from time to time as a “TD Discretionary Lender”.

“TD Lender Group” shall mean the Reliant Administrator, The Toronto-Dominion Bank, as Managing Agent, the TD Discretionary Lenders and the TD Committed Lenders.

“Termination Date” shall mean the date on which (a) the Outstanding Principal Amount has been permanently reduced to zero, (b) all other Borrower Obligations under the Funding Agreement and the other Related Documents have been indefeasibly repaid in full and completely discharged and (c) the Facility Limit has been irrevocably reduced to zero in accordance with the provisions of Section 2.02(b) of the Funding Agreement.

“Termination Event” shall have the meaning assigned to it in Section 8.01 of the Funding Agreement.

“Title IV Plan” shall mean a Pension Plan (other than a Multiemployer Plan) that is covered by Title IV of ERISA and that any Credit Party or any ERISA Affiliate of such Credit Party maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any of them.

“Top Ten Obligor” means, at any time of determination, the Obligors that have the ten largest Obligor Percentages at such time.

“Transaction Parties” means the Originators, the Servicer and, if the Parent is not the Servicer, the Parent.

“Transfer” shall mean any Sale or contribution (or purported Sale or contribution) of Transferred Receivables by any Originator to the Borrower pursuant to the terms of the Sale Agreement.

“Transfer Date” shall have the meaning assigned to it in Section 2.01(a) of the Sale Agreement.

“Transferred Receivable” shall mean any Sold Receivable or Contributed Receivable; *provided* that any Receivable repurchased by an Originator thereof pursuant to Section 4.04 of the Sale Agreement shall not be deemed to be a Transferred Receivable from and after the date of such repurchase unless such Receivable has subsequently been repurchased by or contributed to the Borrower.

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

“UCC” shall mean, with respect to any jurisdiction, the Uniform Commercial Code as the same may, from time to time, be enacted and in effect in such jurisdiction.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“UK Securitisation Regulation” means Regulation (EU) 2017/2402 as it forms part of United Kingdom domestic law as “retained EU law” by operation of the European Union (Withdrawal) Act 2018, as amended, and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019, and as further amended and in effect from time to time.

“UK Securitisation Regulation Rules” means the UK Securitisation Regulation, together with (a) all applicable binding technical standards made under the UK Securitisation Regulation, (b) any EU regulatory technical standards or implementing technical standards relating to the EU Securitisation Regulation (including such regulatory technical standards or implementing technical standards which are applicable pursuant to any transitional provisions of the EU Securitisation Regulation) forming part of United Kingdom domestic law by operation of the European Union (Withdrawal) Act 2018, as amended (the “EUWA”), (c) relevant guidance, policy statements or directions relating to the application of the UK Securitisation Regulation (or any binding technical standards) published by the Financial Conduct Authority and/or Prudential Regulation Authority (or their successors), (d) any guidelines relating to the application of the EU Securitisation Regulation which are applicable in the United Kingdom, (e) any other transitional, saving or other provision relevant to the UK Securitisation Regulation by virtue of the operation of the EUWA and (f) any other applicable laws, acts, statutory instruments, rules, guidance or policy statements published or enacted relating to the UK Securitisation Regulation, in each case as may be further amended from time to time.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unapproved Receivable” shall mean any receivable (i) with respect to which the Originator’s customer relationship with the Obligor thereof arises as a result of the acquisition by such Originator of another Person, or (ii) that was originated in accordance with standards established by another Person acquired by an Originator, in each case, solely with respect to any such acquisitions that have not been approved in writing by the Administrative Agent and the Lenders and then only for the period prior to any such approval.

“Underfunding” shall mean, with respect to any Title IV Plan, the excess, if any, of (a) the present value of all benefits under the Title IV Plan (based on the assumptions used to fund the Title IV Plan pursuant to Section 412 of the IRC) as of the most recent valuation date over (b) the fair market value of the assets of such Title IV Plan as of such valuation date.

“Unrelated Amounts” shall have the meaning assigned to it in Section 7.03 of the Sale Agreement.

“USA Patriot Act” means Title III of Pub. L. 107 56 (signed into law October 26, 2001).

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder

“Voting Equity Interests” means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

“Weekly Report” shall have the meaning assigned to it in paragraph (a) of Annex 5.02(a) to the Funding Agreement.

“Welfare Plan” means a Plan described in Section 3(i) of ERISA.

“Wells Committed Lender” shall mean Wells Fargo Bank, National Association, and each other Lender party hereto from time to time as a “Wells Committed Lender”.

“Wells Lender Group” shall mean Wells Fargo Bank, National Association, as Managing Agent, and the Wells Committed Lenders.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, transfer or dilute shares issued by a UK Financial Institution, to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“Yield” means:

(i) for any Portion of Advances during any Interest Period to the extent a Conduit Lender funds such Portion of Advances through the issuance of Commercial Paper (directly or indirectly through a related commercial paper issuer),

$$CPR \square / \square \frac{D}{360}$$

(ii) for any Portion of Advances funded by a Committed Lender and for any Portion of Advances to the extent a Conduit Lender or a Discretionary Lender will not be funding such Portion of Advances through the issuance of Commercial Paper (directly or indirectly through a related commercial paper issuer),

$$AR \square / \square \frac{D}{360}$$

where

AR = the Alternate Rate for such Portion of Advances for such Interest Period,

CPR = the CP Rate for such Conduit Lender for such Portion of Advances for such Interest Period (as determined by the applicable

Administrator on or prior to the fifth (5th) Business Day of the calendar month next following such Interest Period),

D = the actual number of days during the applicable Interest Period, and

I = the weighted average of such Portion of Advances outstanding during such Interest Period;

provided that no provision of this Agreement shall require the payment or permit the collection of Yield in excess of the maximum permitted by applicable law; *provided further* that at all times after the declaration or automatic occurrence of any Termination Event, Yield for all Portion of Advances shall be payable at the Default Rate; *provided further* that notwithstanding the forgoing, all computations of Yield based on the Base Rate shall be based on a year of 365 or 366 days, as applicable.

SECTION 2. Other Terms and Rules of Construction.

(a) Accounting Terms. Unless otherwise specifically provided therein, any accounting term used in any Related Document shall have the meaning customarily given such term in accordance with GAAP, and all financial computations thereunder shall be computed in accordance with GAAP consistently applied. That certain items or computations are explicitly modified by the phrase “in accordance with GAAP” shall in no way be construed to limit the foregoing.

(b) Other Terms. All other undefined terms contained in any of the Related Documents shall, unless the context indicates otherwise, have the meanings provided for by the UCC as in effect in the State of New York to the extent the same are used or defined therein.

(c) Rules of Construction. Unless otherwise specified, references in any Related Document or any of the Appendices thereto to a Section, subsection or clause refer to such Section, subsection or clause as contained in such Related Document. The words “herein,” “hereof” and “hereunder” and other words of similar import used in any Related Document refer to such Related Document as a whole, including all annexes, exhibits and schedules, as the same may from time to time be amended, restated, modified or supplemented, and not to any particular section, subsection or clause contained in such Related Document or any such annex, exhibit or schedule. Any reference to any amount on any date of determination means such amount as of the close of business on such date of determination. Any reference to or definition of any document, instrument or agreement shall, unless expressly noted otherwise, include the same as amended, restated, supplemented or otherwise modified from time to time. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter genders. The words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; the word “or” is not exclusive; references to Persons include their respective successors and assigns (to the extent and only to the extent permitted by the Related Documents) or, in the case of Governmental Authorities, Persons succeeding to the relevant functions of such Persons; and all references to statutes and related regulations shall include any amendments of the same and any successor statutes and regulations.

(d) Rules of Construction for Determination of Ratios. The Ratios as of the last day of the Settlement Period immediately preceding the Closing Date shall be established by the Administrative Agent on or prior to the Closing Date and the underlying calculations for periods immediately preceding the Closing Date to be used in future calculations of the Ratios

shall be established by the Administrative Agent on or prior to the Closing Date in accordance with the form of Monthly Report. For purposes of calculating the Ratios, (i) averages shall be computed by rounding to the second decimal place and (ii) the Settlement Period in which the date of determination thereof occurs shall not be included in the computation thereof and the first Settlement Period immediately preceding such date of determination shall be deemed to be the Settlement Period immediately preceding the Settlement Period in which such date of determination occurs.

(e) Future Adjustments. At any time the results of any annual audit report provided under Section 7.05(g) of the Funding Agreement indicate that one or more adjustments or revisions to the Related Documents would be appropriate in the reasonable judgment of the Administrative Agent (in consultation with the Lenders), the Borrower agrees to consult in good faith with the Administrative Agent regarding entering into an amendment to the Related Documents in accordance with Section 12.07 of the Funding Agreement or any other applicable amendment restrictions set forth the Related Documents to effectuate such adjustments or revisions.

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Richard Hume, certify that:

1. I have reviewed this Form 10-Q of TD SYNEX Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 4, 2022

/s/ Richard T. Hume

Richard T. Hume
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Marshall Witt, certify that:

1. I have reviewed this Form 10-Q of TD SYNEX Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 4, 2022

/s/ Marshall W. Witt

Marshall W. Witt
Chief Financial Officer
(Principal Financial Officer)

**STATEMENT OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
UNDER 18 U.S.C. § 1350**

We, Richard Hume, the president and chief executive officer of TD SYNEX Corporation (the “Company”), and Marshall Witt, the chief financial officer of the Company, certify for the purposes of section 1350 of chapter 63 of title 18 of the United States Code that, to the best of our knowledge,

- (i) the Quarterly Report of the Company on Form 10-Q for the period ended August 31, 2022 (the “Report”), fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934, and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 4, 2022

/s/ Richard T. Hume

Richard T. Hume
(Principal Executive Officer)

/s/ Marshall W. Witt

Marshall W. Witt
(Principal Financial Officer)