

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 December 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 No.: 001-38033



DXC TECHNOLOGY COMPANY

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

61-1800317

(I.R.S. Employer Identification No.)

20408 Bashan Drive, Suite 231

Ashburn, Virginia 20147

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(703) 972-7000**

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value per share	DXC	The New York Stock Exchange
1.750% Senior Notes Due 2026	DXC 26	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. x Yes o 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). x Yes o No

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

Large Accelerated Filer Accelerated Filer

Non-accelerated Filer Smaller reporting company

Emerging growth company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

227,682,482 shares of common stock, par value \$0.01 per share, were outstanding on January 23, 2023.

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PART I

ITEM 1. FINANCIAL STATEMENTS

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DXC TECHNOLOGY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in millions, except per-share amounts)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Revenues	\$ 3,566	\$ 4,089	\$ 10,839	\$ 12,257
Costs of services (excludes depreciation and amortization and restructuring costs)	2,799	3,179	8,504	9,522
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	315	340	988	1,093
Depreciation and amortization	375	424	1,144	1,294
Restructuring costs	49	36	135	248
Interest expense	56	38	137	161
Interest income	(41)	(15)	(89)	(51)
Debt extinguishment costs	—	2	—	311
Loss (gain) on disposition of businesses	9	4	12	(373)
Other income, net	(98)	(85)	(270)	(290)
Total costs and expenses	3,464	3,923	10,561	11,915
Income before income taxes	102	166	278	342
Income tax expense	41	64	86	145
Net income	61	102	192	197
Less: net income attributable to non-controlling interest, net of tax	2	4	4	9
Net income attributable to DXC common stockholders	\$ 59	\$ 98	\$ 188	\$ 188
Income per common share:				
Basic	\$ 0.26	\$ 0.39	\$ 0.82	\$ 0.74
Diluted	\$ 0.25	\$ 0.38	\$ 0.80	\$ 0.73

The accompanying notes are an integral part of these condensed consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (unaudited)

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net income	\$ 61	\$ 102	\$ 192	\$ 197
Other comprehensive (loss) income, net of taxes:				
Foreign currency translation adjustments, net of tax ⁽¹⁾	10	99	(331)	(75)
Cash flow hedges adjustments, net of tax ⁽²⁾	(19)	1	(17)	9
Pension and other post-retirement benefit plans, net of tax:				
Amortization of prior service cost, net of tax ⁽³⁾	(1)	(2)	(5)	(6)
Pension and other post-retirement benefit plans, net of tax	(1)	(2)	(5)	(6)
Other comprehensive (loss) income, net of taxes	(10)	98	(353)	(72)
Comprehensive (loss) income	51	200	(161)	125
Less: comprehensive (loss) income attributable to non-controlling interest	4	5	2	20
Comprehensive (loss) income attributable to DXC common stockholders	\$ 47	\$ 195	\$ (163)	\$ 105

⁽¹⁾ Tax (benefit) expense related to foreign currency translation adjustments was \$(5) and \$4 for the three and nine months ended December 31, 2022, respectively, and \$(3) and \$(2) for the three and nine months ended December 31, 2021, respectively.

⁽²⁾ Tax (benefit) expense related to cash flow hedges adjustments was \$(5) and \$(6) for the three and nine months ended December 31, 2022, respectively, and \$1 and \$3 for the three and nine months ended December 31, 2021, respectively.

⁽³⁾ Tax benefit related to amortization of prior service costs was \$0 and \$4 for the three and nine months ended December 31, 2022, respectively. There was no tax benefit related to amortization of prior service costs for the three and nine months ended December 31, 2021, respectively.

The accompanying notes are an integral part of these condensed consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in millions, except per-share and share amounts)	As of	
	December 31, 2022	March 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,091	\$ 2,672
Receivables and contract assets, net of allowance of \$46 and \$55	3,454	3,854
Prepaid expenses	653	617
Other current assets	218	268
Assets held for sale	577	35
Total current assets	6,993	7,446
Intangible assets, net of accumulated amortization of \$5,458 and \$5,124	2,741	3,378
Operating right-of-use assets, net	954	1,133
Goodwill	535	617
Deferred income taxes, net	219	221
Property and equipment, net of accumulated depreciation of \$4,067 and \$3,998	2,044	2,412
Other assets	4,653	4,850
Assets held for sale - non-current	115	82
Total Assets	\$ 18,254	\$ 20,139
LIABILITIES and EQUITY		
Current liabilities:		
Short-term debt and current maturities of long-term debt	873	900
Accounts payable	852	840
Accrued payroll and related costs	520	570
Current operating lease liabilities	320	388
Accrued expenses and other current liabilities	1,932	2,882
Deferred revenue and advance contract payments	969	1,053
Income taxes payable	166	197
Liabilities related to assets held for sale	538	23
Total current liabilities	6,170	6,853
Long-term debt, net of current maturities	3,850	4,065
Non-current deferred revenue	804	862
Non-current operating lease liabilities	691	815
Non-current income tax liabilities and deferred tax liabilities	784	994
Other long-term liabilities	992	1,136
Liabilities related to assets held for sale - non-current	11	39
Total Liabilities	13,302	14,764
Commitments and contingencies		
DXC stockholders' equity:		
Preferred stock, par value \$0.01 per share, 1,000,000 shares authorized, none issued as of December 31, 2022 and March 31, 2022	—	—
Common stock, par value \$0.01 per share, 750,000,000 shares authorized, 231,350,636 issued as of December 31, 2022 and 240,508,348 issued as of March 31, 2022	2	3
Additional paid-in capital	9,670	10,057
Accumulated deficit	(4,123)	(4,450)
Accumulated other comprehensive loss	(736)	(385)
Treasury stock, at cost, 3,278,690 and 2,878,079 shares as of December 31, 2022 and March 31, 2022	(186)	(173)
Total DXC stockholders' equity	4,627	5,052
Non-controlling interest in subsidiaries	325	323
Total Equity	4,952	5,375
Total Liabilities and Equity	\$ 18,254	\$ 20,139

The accompanying notes are an integral part of these condensed consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(in millions)	Nine Months Ended	
	December 31, 2022	December 31, 2021
Cash flows from operating activities:		
Net income	\$ 192	\$ 197
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,169	1,309
Operating right-of-use expense	311	371
Pension & other post-employment benefits, actuarial & settlement losses	—	7
Share-based compensation	81	77
Deferred taxes	(170)	17
Gain on dispositions	(43)	(402)
Unrealized foreign currency exchange loss (gain)	80	(20)
Impairment losses and contract write-offs	31	21
Debt extinguishment costs	—	311
Other non-cash charges, net	(3)	2
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease in assets	84	386
Decrease in operating lease liability	(311)	(371)
Decrease in other liabilities	(421)	(675)
Net cash provided by operating activities	1,000	1,230
Cash flows from investing activities:		
Purchases of property and equipment	(212)	(217)
Payments for transition and transformation contract costs	(166)	(152)
Software purchased and developed	(154)	(211)
Business dispositions	52	519
Proceeds from sale of assets	165	95
Short-term investing	—	24
Other investing activities, net	16	35
Net cash (used in) provided by investing activities	(299)	93
Cash flows from financing activities:		
Borrowings of commercial paper	1,363	840
Repayments of commercial paper	(1,312)	(821)
Borrowings on long-term debt	—	19
Principal payments on long-term debt	—	(2,872)
Payments on finance leases and borrowings for asset financing	(399)	(855)
Proceeds from bond issuance	—	2,918
Proceeds from stock options and other common stock transactions	1	12
Taxes paid related to net share settlements of share-based compensation awards	(15)	(15)
Payments for debt extinguishment costs	—	(344)
Repurchase of common stock	(325)	(352)
Other financing activities, net	(6)	10
Net cash used in financing activities	(693)	(1,460)
Effect of exchange rate changes on cash and cash equivalents	(95)	25
Net decrease in cash and cash equivalents including cash classified within current assets held for sale	(87)	(112)
Change in cash classified within current assets held for sale	(494)	63
Net decrease in cash and cash equivalents	(581)	(49)
Cash and cash equivalents at beginning of year	2,672	2,968
Cash and cash equivalents at end of period	\$ 2,091	\$ 2,919

The accompanying notes are an integral part of these condensed consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (unaudited)

Three Months Ended December 31, 2022

(in millions, except shares in thousands)	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock ⁽¹⁾	Total DXC Equity	Non- Controlling Interest	Total Equity
	Shares	Amount							
Balance at September 30, 2022	233,278	\$ 2	\$ 9,733	\$ (4,211)	\$ (724)	\$ (185)	\$ 4,615	\$ 321	\$ 4,936
Net Income				59			59	2	61
Other comprehensive loss					(12)		(12)	2	(10)
Share-based compensation expense			24				24		24
Acquisition of treasury stock						(1)	(1)		(1)
Share repurchase program	(2,064)		(87)	30			(57)		(57)
Stock option exercises and other common stock transactions	137						—		—
Non-controlling interest distributions and other				(1)			(1)		(1)
Balance at December 31, 2022	231,351	\$ 2	\$ 9,670	\$ (4,123)	\$ (736)	\$ (186)	\$ 4,627	\$ 325	\$ 4,952

Three Months Ended December 31, 2021

(in millions, except shares in thousands)	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock	Total DXC Equity	Non- Controlling Interest	Total Equity
	Shares	Amount							
Balance at September 30, 2021	255,003	\$ 3	\$ 10,646	\$ (5,225)	\$ (482)	\$ (170)	\$ 4,772	\$ 311	\$ 5,083
Net income				98			98	4	102
Other comprehensive income					97		97	1	98
Share-based compensation expense			23				23		23
Acquisition of treasury stock						(1)	(1)		(1)
Share repurchase program	(6,756)		(286)	73			(213)		(213)
Stock option exercises and other common stock transactions	109						—		—
Non-controlling interest distributions and other				(4)			(4)	(1)	(5)
Balance at December 31, 2021	248,356	\$ 3	\$ 10,383	\$ (5,058)	\$ (385)	\$ (171)	\$ 4,772	\$ 315	\$ 5,087

Nine Months Ended December 31, 2022

(in millions, except shares in thousands)	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock ⁽¹⁾	Total DXC Equity	Non- Controlling Interest	Total Equity
	Shares	Amount							
Balance at March 31, 2022	240,508	\$ 3	\$ 10,057	\$ (4,450)	\$ (385)	\$ (173)	\$ 5,052	\$ 323	\$ 5,375
Net income				188			188	4	192
Other comprehensive loss					(351)		(351)	(2)	(353)
Share-based compensation expense			73				73		73
Acquisition of treasury stock						(13)	(13)		(13)
Share repurchase program	(10,915)	(1)	(461)	139			(323)		(323)
Stock option exercises and other common stock transactions	1,758		1				1		1
Balance at December 31, 2022	231,351	\$ 2	\$ 9,670	\$ (4,123)	\$ (736)	\$ (186)	\$ 4,627	\$ 325	\$ 4,952

Nine Months Ended December 31, 2021

(in millions, except shares in thousands)	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock	Total DXC Equity	Non- Controlling Interest	Total Equity
	Shares	Amount							
Balance at March 31, 2021	257,053	\$ 3	\$ 10,761	\$ (5,331)	\$ (302)	\$ (158)	\$ 4,973	\$ 335	\$ 5,308
Net income				188			188	9	197
Other comprehensive loss					(83)		(83)	11	(72)
Share-based compensation expense			63				63		63
Acquisition of treasury stock						(13)	(13)		(13)
Share repurchase program	(10,618)		(449)	86			(363)		(363)
Stock option exercises and other common stock transactions	1,921		11				11		11
Non-controlling interest distributions and other			(3)	(1)			(4)	(40)	(44)
Balance at December 31, 2021	248,356	\$ 3	\$ 10,383	\$ (5,058)	\$ (385)	\$ (171)	\$ 4,772	\$ 315	\$ 5,087

⁽¹⁾ 3,278,690 treasury shares as of December 31, 2022.

The accompanying notes are an integral part of these condensed consolidated financial statements.

DXC TECHNOLOGY COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Note 1 – Summary of Significant Accounting Policies

Business

DXC Technology Company (“DXC,” the “Company,” “we,” “us,” or “our”) helps global companies run their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. With decades of driving innovation, the world’s largest companies and public sector organizations trust DXC to deploy services to drive new levels of performance, competitiveness and customer experience across their IT estates.

Basis of Presentation

In order to make this report easier to read, DXC refers throughout to (i) the interim unaudited Condensed Consolidated Financial Statements as the “financial statements,” (ii) the Condensed Consolidated Statements of Operations as the “statements of operations,” (iii) the Condensed Consolidated Statements of Comprehensive (Loss) Income as the “statements of comprehensive (loss) income,” (iv) the Condensed Consolidated Balance Sheets as the “balance sheets,” and (v) the Condensed Consolidated Statements of Cash Flows as the “statements of cash flows.” In addition, references are made throughout to the numbered Notes to the Condensed Consolidated Financial Statements (“Notes”) in this Quarterly Report on Form 10-Q.

The accompanying financial statements include the accounts of DXC, its consolidated subsidiaries, and those business entities in which DXC maintains a controlling interest. Investments in business entities in which the Company does not have control, but has the ability to exercise significant influence over operating and financial policies, are accounted for by the equity method. Other investments are accounted for by the cost method. Non-controlling interests are presented as a separate component within equity in the balance sheets. Net earnings attributable to the non-controlling interests are presented separately in the statements of operations and comprehensive (loss) income attributable to non-controlling interests are presented separately in the statements of comprehensive (loss) income. All intercompany transactions and balances have been eliminated. Certain amounts reported in the previous year have been reclassified to conform to the current year presentation.

The financial statements of the Company have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) for quarterly reports and accounting principles generally accepted in the United States (“GAAP”). Certain disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules. These financial statements should therefore be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2022 (“fiscal 2022”).

Use of Estimates

The preparation of the financial statements, in accordance with GAAP, requires the Company's management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the reporting period. The Company bases its estimates on assumptions regarding historical experience, currently available information, and anticipated developments that it believes are reasonable and appropriate. However, because the use of estimates involves an inherent degree of uncertainty, actual results could differ from those estimates. Estimates are used for, but are not limited to, contracts accounted for using the percentage-of-completion method, cash flows used in the evaluation of impairment of goodwill and other long-lived assets, reserves for uncertain tax positions, valuation allowances on deferred tax assets, loss accruals for litigation, and obligations related to our pension plans. In the opinion of the Company's management, the accompanying financial statements contain all adjustments necessary, including those of a normal recurring nature, to fairly present the financial statements. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full fiscal year.

Recent Accounting Pronouncements

Recently issued ASUs effective after December 31, 2022 are not expected to have a material effect on DXC's condensed consolidated financial statements.

Note 2 – Divestitures

Fiscal 2023 Divestitures

During the first nine months of fiscal 2023, the Company sold insignificant businesses that resulted in a loss of \$12 million.

FDB Assets Held for Sale

During the third quarter of fiscal 2022, DXC entered into a purchase agreement to sell its German financial services subsidiary ("FDB" or the "FDB Business") to the FNZ Group ("FNZ"). The closing of the transaction was subject to certain conditions, including receipt of certain regulatory consents. During the third quarter of fiscal 2023, DXC obtained regulatory consent for the FDB sale. As of December 31, 2022, the FDB Business met the requirements for presentation as assets held for sale under GAAP.

On January 3, 2023, DXC completed the sale of its FDB Business for €308 million (approximately \$323 million as of January 3, 2023) resulting in an estimated pre-tax gain of approximately \$180 million to be recognized in the fourth quarter of fiscal 2023.

DXC TECHNOLOGY COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Assets held for sale are reported at carrying value, which is less than fair value. FDB's assets held for sale and related liabilities as of December 31, 2022 were as follows:

(in millions)	December 31, 2022	
Assets:		
Cash and cash equivalents	\$	509
Receivables and contract assets		67
Prepaid expenses		1
Total current assets held for sale		577
Intangible assets, net		45
Goodwill		48
Property and equipment, net		1
Other assets		12
Total non-current assets held for sale		106
Total assets held for sale	\$	683
Liabilities:		
Accounts payable	\$	5
Accrued expenses and other current liabilities		532
Income Taxes Payable		1
Total current liabilities related to assets held for sale		538
Non-current income tax liabilities and deferred tax liabilities		7
Other long-term liabilities		4
Total long-term liabilities related to assets held for sale		11
Total liabilities related to assets held for sale	\$	549

In addition to the FDB Business, certain other insignificant divestitures are included in the Company's balance sheets as assets held for sale.

Fiscal 2022 Divestitures

HPS Sale

On April 1, 2021, DXC completed the sale of its HPS Business to Dedalus for approximately \$551 million, resulting in a pre-tax gain on sale of \$337 million, net of closing costs for the nine months ended December 31, 2022.

During the first nine months of fiscal 2022, the Company also sold certain insignificant businesses that resulted in a gain of \$49 million. This was partially offset by \$13 million in sales price adjustments related to prior year dispositions, which resulted from changes in estimated net working capital.

DXC TECHNOLOGY COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Note 3 – Earnings per Share

Basic earnings per share (“EPS”) is computed using the weighted average number of shares of common stock outstanding during the period. Diluted EPS reflects the incremental shares issuable upon the assumed exercise of stock options and equity awards. The following table reflects the calculation of basic and diluted EPS:

(in millions, except per-share amounts)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net income attributable to DXC common stockholders:	\$ 59	\$ 98	\$ 188	\$ 188
Common share information:				
Weighted average common shares outstanding for basic EPS	229.54	250.27	230.65	252.44
Dilutive effect of stock options and equity awards	3.46	4.55	3.73	5.15
Weighted average common shares outstanding for diluted EPS	233.00	254.82	234.38	257.59
Earnings per share:				
Basic	\$ 0.26	\$ 0.39	\$ 0.82	\$ 0.74
Diluted	\$ 0.25	\$ 0.38	\$ 0.80	\$ 0.73

Certain share-based equity awards were excluded from the computation of dilutive EPS because inclusion of these awards would have had an anti-dilutive effect. The number of awards excluded were as follows:

	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Stock Options	467,554	507,424	474,591	518,052
Restricted Stock Units	2,490,526	112,314	2,146,455	204,459
Performance Stock Units	1,086,398	1,937,752	850,623	1,089,869

Note 4 – Receivables

Allowance for Doubtful Accounts

The following table presents the change in balance for the allowance for doubtful accounts:

(in millions)	As of	
	December 31, 2022	March 31, 2022
Beginning balance	\$ 55	\$ 91
Provisions for losses on accounts receivable	1	5
Other adjustments to allowance and write-offs	(10)	(41)
Ending balance	<u>\$ 46</u>	<u>\$ 55</u>

Receivables Facility

The Company has an accounts receivable sales facility (as amended, restated, supplemented or otherwise modified as of December 31, 2022, the “Receivables Facility”) with certain unaffiliated financial institutions for the sale of commercial accounts receivable in the United States. The Receivables Facility was amended on July 29, 2022 extending the termination date to July 28, 2023.

As of December 31, 2022, the total availability under the Receivables Facility was \$400 million, and the amount sold to the Purchasers was \$400 million, which was derecognized from the Company’s balance sheet.

The fair value of the sold receivables approximated book value due to the short-term nature, and as a result, no gain or loss on sale of receivables was recorded.

Note 5 – Leases

The Company has operating and finance leases for data centers, corporate offices, and certain equipment. Its leases have remaining lease terms of one to 10 years, some of which include options to extend the leases for up to 10 years, and some of which include options to terminate the leases within one to three years.

Operating Leases

The components of operating lease expense were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Operating lease cost	\$ 97	\$ 117	\$ 311	\$ 371
Short-term lease cost	9	9	28	32
Variable lease cost	17	17	56	50
Sublease income	(5)	(1)	(15)	(27)
Total operating costs	<u>\$ 118</u>	<u>\$ 142</u>	<u>\$ 380</u>	<u>\$ 426</u>

DXC TECHNOLOGY COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Cash payments made for variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and as such, are excluded from the supplemental cash flow information stated below.

(in millions)	Nine Months Ended	
	December 31, 2022	December 31, 2021
Cash paid for amounts included in the measurement of operating lease liabilities – operating cash flows	\$ 311	\$ 371
ROU assets obtained in exchange for operating lease liabilities ⁽¹⁾	\$ 193	\$ 130

⁽¹⁾ Net of \$911 million and \$792 million in lease modifications and terminations during the nine months of fiscal 2023 and 2022, respectively. See Note 17 – “Cash Flows” for further information on non-cash activities affecting cash flows.

The following table presents operating lease balances:

(in millions)	Balance Sheet Line Item	As of	
		December 31, 2022	March 31, 2022
ROU operating lease assets	Operating right-of-use assets, net	\$ 954	\$ 1,133
Operating lease liabilities	Current operating lease liabilities	\$ 320	\$ 388
Operating lease liabilities	Non-current operating lease liabilities	691	815
Total operating lease liabilities		\$ 1,011	\$ 1,203

The weighted-average operating lease term was 4.1 years and 4.4 years as of December 31, 2022 and March 31, 2022, respectively. The weighted-average operating lease discount rate was 3.7% and 3.3% as of December 31, 2022 and March 31, 2022, respectively.

The following maturity analysis presents expected undiscounted cash payments for operating leases as of December 31, 2022:

(in millions)	Fiscal Year						Total
	Remainder of 2023	2024	2025	2026	2027	Thereafter	
Operating lease payments	\$ 99	\$ 325	\$ 258	\$ 169	\$ 85	\$ 159	\$ 1,095
Less: imputed interest							(84)
Total operating lease liabilities							\$ 1,011

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Finance Leases

The components of finance lease expense were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Amortization of right-of-use assets	\$ 50	\$ 85	\$ 166	\$ 271
Interest on lease liabilities	4	6	13	22
Total finance lease expense	\$ 54	\$ 91	\$ 179	\$ 293

The following table provides supplemental cash flow information related to the Company's finance leases:

(in millions)	Nine Months Ended	
	December 31, 2022	December 31, 2021
Interest paid for finance lease liabilities – Operating cash flows	\$ 13	\$ 22
Cash paid for amounts included in the measurement of finance lease obligations – financing cash flows	244	403
Total cash paid in the measurement of finance lease obligations	\$ 257	\$ 425
Capital expenditures through finance lease obligations ⁽¹⁾	\$ 73	\$ 180

⁽¹⁾ See Note 17 – “Cash Flows” for further information on non-cash activities affecting cash flows.

The following table presents finance lease balances:

(in millions)	Balance Sheet Line Item	As of	
		December 31, 2022	March 31, 2022
ROU finance lease assets	Property and Equipment, net	\$ 462	\$ 602
Finance lease	Short-term debt and current maturities of long-term debt	\$ 230	\$ 289
Finance lease	Long-term debt, net of current maturities	289	354
Total finance lease liabilities⁽¹⁾		\$ 519	\$ 643

⁽¹⁾ See Note 10 – “Debt” for further information on finance lease liabilities.

The weighted-average finance lease term was 2.8 years and 2.8 years as of December 31, 2022 and March 31, 2022, respectively. The weighted-average finance lease discount rate was 3.1% and 2.9% as of December 31, 2022 and March 31, 2022, respectively.

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The following maturity analysis presents expected undiscounted cash payments for finance leases as of December 31, 2022:

(in millions)	Fiscal Year						Total
	Remainder of 2023	2024	2025	2026	2027	Thereafter	
Finance lease payments	\$ 71	\$ 216	\$ 138	\$ 76	\$ 38	\$ 6	\$ 545
Less: imputed interest							(26)
Total finance lease liabilities							\$ 519

Note 6 – Fair Value

Fair Value Measurements on a Recurring Basis

The following table presents the Company's assets and liabilities that are measured at fair value on a recurring basis, excluding pension assets and derivative assets and liabilities. See Note 7 – "Derivative Instruments" for information about the Company's derivative instruments. Note 10 – "Debt" includes information about the estimated fair value of the Company's long-term debt. There were no transfers between any of the levels during the periods presented.

(in millions)	Fair Value Hierarchy			
	December 31, 2022			
	Fair Value	Level 1	Level 2	Level 3
Assets:				
Money market funds and money market deposit accounts	\$ 28	\$ 28	\$ —	\$ —
Time deposits ⁽¹⁾	36	36	—	—
Other securities ⁽²⁾	46	—	44	2
Total assets	\$ 110	\$ 64	\$ 44	\$ 2
Liabilities:				
Contingent consideration	\$ 1	\$ —	\$ —	\$ 1
Total liabilities	\$ 1	\$ —	\$ —	\$ 1

(in millions)	March 31, 2022			
	Fair Value	Level 1	Level 2	Level 3
	Assets:			
Money market funds and money market deposit accounts	\$ 5	\$ 5	\$ —	\$ —
Time deposits ⁽¹⁾	51	51	—	—
Other securities ⁽²⁾	51	—	49	2
Total assets	\$ 107	\$ 56	\$ 49	\$ 2
Liabilities:				
Contingent consideration	\$ 8	\$ —	\$ —	\$ 8
Total liabilities	\$ 8	\$ —	\$ —	\$ 8

⁽¹⁾ Cost basis approximated fair value due to the short period of time to maturity.

⁽²⁾ Other securities include available-for-sale equity security investments with Level 2 inputs that have a cost basis of \$51 million and \$53 million as of December 31, 2022 and March 31, 2022, respectively. For the periods presented, gains and losses are insignificant and are included in other income, net in the Company's statements of operations.

Note 7 – Derivative Instruments

In the normal course of business, the Company is exposed to interest rate and foreign exchange rate fluctuations. As part of its risk management strategy, the Company uses derivative instruments, primarily foreign currency forward contracts and interest rate swaps, to hedge certain foreign currency and interest rate exposures. The Company’s objective is to reduce earnings volatility by offsetting gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them. The Company does not use derivative instruments for trading or any speculative purposes.

Derivatives Designated for Hedge Accounting

Cash flow hedges

The Company has designated certain foreign currency forward contracts as cash flow hedges to reduce foreign currency risk related to certain Indian Rupee-denominated intercompany obligations and forecasted transactions. The notional amounts of foreign currency forward contracts designated as cash flow hedges as of December 31, 2022 and March 31, 2022 were \$836 million and \$727 million, respectively. As of December 31, 2022, the related forecasted transactions extend through December 2024.

For the three and nine months ended December 31, 2022 and December 31, 2021, respectively, the Company performed an assessment at the inception of the cash flow hedge transactions and determined that all critical terms of the hedging instruments and hedged items matched. The Company performs an assessment of critical terms on an on-going basis throughout the hedging period. During the three and nine months ended December 31, 2022 and December 31, 2021, respectively, the Company had no cash flow hedges for which it was probable that the hedged transaction would not occur. As of December 31, 2022, \$5 million of the existing amount of loss related to the cash flow hedge reported in accumulated other comprehensive loss is expected to be reclassified into earnings within the next 12 months.

Amounts recognized in other comprehensive (loss) income and income before income taxes

During the three and nine months ended December 31, 2022, the pre-tax gain (loss) on derivatives designated for hedge accounting recognized in other comprehensive (loss) income was \$(23) million and \$(14) million, respectively, and recognized in income before income taxes was \$1 million and \$10 million, respectively.

Derivatives Not Designated for Hedge Accounting

The derivative instruments not designated as hedges for purposes of hedge accounting include certain short-term foreign currency forward contracts. 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.

Foreign currency forward contracts

The Company manages the exposure to fluctuations in foreign currencies by using short-term foreign currency forward contracts to hedge certain foreign currency denominated assets and liabilities, including intercompany accounts and forecasted transactions. The net notional amounts of the foreign currency forward contracts outstanding as of December 31, 2022 and March 31, 2022 were \$2.0 billion and \$2.1 billion, respectively.

The following table presents the pretax amounts impacting income related to foreign currency forward contracts designated and non-designated for hedge accounting:

(in millions)	Statement of Operations Line Item	For the Three Months Ended		For the Nine Months Ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Foreign currency forward contracts	Other (income) expense, net	\$ 52	\$ (9)	\$ (27)	\$ 39

Fair Value of Derivative Instruments

All derivative instruments are recorded at fair value. The Company's accounting treatment for these derivative instruments is based on its hedge designation. The following tables present the fair values of derivative instruments included in the balance sheets:

(in millions)	Balance Sheet Line Item	As of	
		December 31, 2022	March 31, 2022
<i>Derivatives designated for hedge accounting:</i>			
Foreign currency forward contracts	Other current assets	\$ 10	\$ 18
	Accrued expenses and other current liabilities	\$ 18	\$ —
<i>Derivatives not designated for hedge accounting:</i>			
Foreign currency forward contracts	Other current assets	\$ 7	\$ 9
	Accrued expenses and other current liabilities	\$ 51	\$ 15

The fair value of foreign currency forward contracts represents the estimated amount required to settle the contracts using current market exchange rates and is based on the period-end foreign currency exchange rates and forward points which are classified as Level 2 inputs.

Other Risks for Derivative Instruments

The Company is exposed to the risk of losses in the event of non-performance by the counterparties to its derivative contracts. The amount subject to credit risk related to derivative instruments is generally limited to the amount, if any, by which a counterparty's obligations exceed the obligations of the Company with that counterparty. To mitigate counterparty credit risk, the Company regularly reviews its credit exposure and the creditworthiness of the counterparties. With respect to its foreign currency derivatives, as of December 31, 2022, there were 10 counterparties with concentration of credit risk, and based on gross fair value, the maximum amount of loss that the Company could incur is \$1 million.

The Company also enters into enforceable master netting arrangements with some of its counterparties. However, for financial reporting purposes, it is the Company's policy not to offset derivative assets and liabilities despite the existence of enforceable master netting arrangements. The potential effect of such netting arrangements on the Company's balance sheets is not material for the periods presented.

Non-Derivative Financial Instruments Designated for Hedge Accounting

The Company applies hedge accounting for foreign currency-denominated debt used to manage foreign currency exposures on its net investments in certain non-U.S. operations. To qualify for hedge accounting, the hedging instrument must be highly effective at reducing the risk from the exposure being hedged.

Net Investment Hedges

DXC seeks to reduce the impact of fluctuations in foreign exchange rates on its net investments in certain non-U.S. operations with foreign currency-denominated debt. For foreign currency-denominated debt designated as a hedge, the effectiveness of the hedge is assessed based on changes in spot rates. For qualifying net investment hedges, all gains or losses on the hedging instruments are included in currency translation. Gains or losses on individual net investments in non-U.S. operations are reclassified to earnings from accumulated other comprehensive (loss) income when such net investments are sold or substantially liquidated.

As of December 31, 2022, DXC had \$0.3 billion of foreign currency-denominated debt designated as hedges of net investments in non-U.S. subsidiaries. For the three and nine months ended December 31, 2022, the pre-tax impact of gain (loss) on foreign currency-denominated debt designated for hedge accounting recognized in other comprehensive (loss) income was \$(22) million and \$11 million, respectively. As of March 31, 2022, DXC had \$0.3 billion of foreign currency-denominated debt designated as hedges of net investments in non-U.S. subsidiaries.

Note 8 – Intangible Assets

Intangible assets consisted of the following:

(in millions)	As of December 31, 2022			As of March 31, 2022		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Software	\$ 3,999	\$ 3,198	\$ 801	\$ 4,063	\$ 3,039	\$ 1,024
Customer related	3,891	2,140	1,751	4,148	1,995	2,153
Other	309	120	189	291	90	201
Total intangible assets	\$ 8,199	\$ 5,458	\$ 2,741	\$ 8,502	\$ 5,124	\$ 3,378

The components of amortization expense were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Intangible asset amortization	\$ 201	\$ 212	\$ 598	\$ 649
Transition and transformation contract cost amortization ⁽¹⁾	51	56	156	166
Total amortization expense	\$ 252	\$ 268	\$ 754	\$ 815

⁽¹⁾ Transition and transformation contract costs are included within other assets on the balance sheet.

Estimated future amortization related to intangible assets as of December 31, 2022 is as follows:

Fiscal Year	(in millions)
Remainder of 2023	\$ 232
2024	706
2025	591
2026	526
2027	383
Thereafter	303
Total	\$ 2,741

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Note 9 – Goodwill

The following table summarizes the changes in the carrying amount of goodwill, by segment, as of December 31, 2022.

(in millions)	GBS	GIS	Total
Goodwill, gross	\$ 5,107	\$ 5,066	\$ 10,173
Accumulated impairment losses	(4,490)	(5,066)	(9,556)
Balance as of March 31, 2022, net	<u>\$ 617</u>	<u>\$ —</u>	<u>\$ 617</u>
Divestitures	(12)	—	(12)
Assets held for sale	(48)	—	(48)
Foreign currency translation	(22)	—	(22)
Balance as of December 31, 2022, net	<u>\$ 535</u>	<u>\$ —</u>	<u>\$ 535</u>
Goodwill, gross	5,025	5,066	10,091
Accumulated impairment losses	(4,490)	(5,066)	(9,556)
Balance as of December 31, 2022, net	<u>\$ 535</u>	<u>\$ —</u>	<u>\$ 535</u>

The foreign currency translation amount reflects the impact of currency movements on non-U.S. dollar-denominated goodwill balances.

On December 31, 2022, with the classification of the FDB Business as held for sale, \$48 million in goodwill was transferred to assets held for sale on the balance sheet. See Note 2 – “Divestitures” for additional information.

Note 10 – Debt

The following is a summary of the Company's debt:

(in millions)	Interest Rates	Fiscal Year Maturities	12/31/2022 ⁽¹⁾	3/31/2022 ⁽¹⁾
Short-term debt and current maturities of long-term debt				
Commercial paper ⁽²⁾	1.88% - 2.49%	2023	\$ 401	\$ 362
Current maturities of long-term debt	Various	2023 - 2024	242	249
Current maturities of finance lease liabilities	0.30% - 14.30%	2023 - 2024	230	289
Short-term debt and current maturities of long-term debt			<u>\$ 873</u>	<u>\$ 900</u>
Long-term debt, net of current maturities				
€650 million Senior notes	1.75%	2026	692	720
\$700 million Senior notes	1.80%	2027	695	694
€750 million Senior notes	0.45%	2028	796	828
\$650 million Senior notes	2.375%	2029	645	644
€600 million Senior notes	0.95%	2032	635	661
Finance lease liabilities	0.30% - 14.30%	2023 - 2028	519	643
Borrowings for assets acquired under long-term financing	0.00% - 9.78%	2023 - 2029	275	344
Mandatorily redeemable preferred stock outstanding	6.00%	2023	64	63
Other borrowings	Various	2023 - 2024	1	6
Long-term debt			4,322	4,603
Less: current maturities			472	538
Long-term debt, net of current maturities			<u>\$ 3,850</u>	<u>\$ 4,065</u>

⁽¹⁾ The carrying amounts of the senior notes as of December 31, 2022 and March 31, 2022, include the remaining principal outstanding of \$3,486 million and \$3,575 million, respectively, net of total unamortized debt (discounts) and premiums, and deferred debt issuance costs of \$(23) million and \$(28) million respectively.

⁽²⁾ At DXC's option, DXC can borrow up to a maximum of €1 billion or its equivalent in €, £, and \$.

Term Loan

During the second quarter of fiscal 2023, the Company entered into a \$500 million term loan credit agreement (the "USD Term Loan") with certain unaffiliated financial institutions that matures on September 1, 2024, unless the Company exercises its option to extend for one year until September 1, 2025. The USD Term Loan is required to be drawn down by March 1, 2023. The Company did not draw on the USD Term Loan as of December 31, 2022.

Fair Value of Debt

The estimated fair value of the Company's long-term debt, excluding finance lease liabilities, was \$3.3 billion and \$3.7 billion as of December 31, 2022 and March 31, 2022, respectively, compared with carrying value of \$3.8 billion and \$4.0 billion as of December 31, 2022 and March 31, 2022, respectively.

Note 11 – Revenue

Revenue Recognition

The following table presents DXC's revenues disaggregated by geography, based on the location of incorporation of the DXC entity providing the related goods or services:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
United States	\$ 1,054	\$ 1,168	\$ 3,278	\$ 3,570
United Kingdom	469	578	1,394	1,749
Other Europe	1,119	1,319	3,321	3,878
Australia	343	376	1,105	1,172
Other International	581	648	1,741	1,888
Total Revenues	\$ 3,566	\$ 4,089	\$ 10,839	\$ 12,257

The revenue by geography pertains to both of the Company's reportable segments. Refer to Note 18 – "Segment Information" for the Company's segment disclosures.

Remaining Performance Obligations

As of December 31, 2022, approximately \$19.6 billion of revenue is expected to be recognized from remaining performance obligations. We expect to recognize revenue on approximately 13% of these remaining performance obligations in fiscal 2023, with the remainder of the balance recognized thereafter.

Contract Balances

The following table provides information about the balances of the Company's trade receivables and contract assets and contract liabilities:

(in millions)	As of	
	December 31, 2022	March 31, 2022
Trade receivables, net	\$ 2,364	\$ 2,694
Contract assets	\$ 325	\$ 371
Contract liabilities	\$ 1,773	\$ 1,915

Changes in contract liabilities were as follows:

(in millions)	Nine Months Ended	
	December 31, 2022	December 31, 2021
Balance, beginning of period	\$ 1,915	\$ 1,701
Deferred revenue	1,699	2,287
Recognition of deferred revenue	(1,725)	(2,032)
Currency translation adjustment	(88)	(22)
Other	(28)	(51)
Balance, end of period	\$ 1,773	\$ 1,883

Note 12 – Restructuring Costs

The composition of restructuring liabilities by financial statement line item is as follows:

(in millions)	As of	
	December 31, 2022	March 31, 2022
Accrued expenses and other current liabilities	\$ 79	\$ 113
Other long-term liabilities	24	39
Total	\$ 103	\$ 152

Summary of Restructuring Plans

Fiscal 2023 Plan

During fiscal 2023, management approved global cost savings initiatives designed to better align the Company's workforce and facility structures (the "Fiscal 2023 Plan").

Restructuring Liability Reconciliations by Plan

	Restructuring Liability as of March 31, 2022	Costs Expensed, Net of Reversals	Costs Not Affecting Restructuring Liability ⁽¹⁾	Cash Paid	Other ⁽²⁾	Restructuring Liability as of December 31, 2022
Fiscal 2023 Plan						
Workforce Reductions	\$ —	\$ 85	\$ —	\$ (50)	\$ —	\$ 35
Facilities Costs	—	26	(17)	(7)	(1)	1
	—	111	(17)	(57)	(1)	36
Fiscal 2022 Plan						
Workforce Reductions	\$ 84	\$ (1)	\$ —	\$ (48)	\$ (5)	\$ 30
Facilities Costs	1	27	(6)	(22)	1	1
	85	26	(6)	(70)	(4)	31
Other Prior Year and Acquired Plans						
Workforce Reductions	\$ 64	\$ (1)	\$ —	\$ (27)	\$ (3)	\$ 33
Facilities Costs	3	(1)	—	—	1	3
	67	(2)	—	(27)	(2)	36
Total	\$ 152	\$ 135	\$ (23)	\$ (154)	\$ (7)	\$ 103

⁽¹⁾ Pension benefit augmentations recorded as pension liabilities, asset impairments and restructuring costs associated with right-of-use assets.

⁽²⁾ Foreign currency translation adjustments.

For the nine months ended December 31, 2022, \$16 million of restructuring costs is related to amortization of the right-of-use asset and interest expense for leased facilities that we have vacated but are being actively marketed for sublease or we are in negotiations with the landlord to potentially terminate or modify those leases.

Note 13 – Pension and Other Benefit Plans

Defined Benefit Plans

The components of net periodic pension income were:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Service cost	\$ 18	\$ 22	\$ 55	\$ 67
Interest cost	62	50	192	153
Expected return on assets	(120)	(139)	(374)	(432)
Amortization of prior service costs	(2)	(2)	(6)	(6)
Contractual termination benefit	—	(3)	—	(2)
Recognition of actuarial loss	—	7	1	7
Net periodic pension income	\$ (42)	\$ (65)	\$ (132)	\$ (213)

The service cost component of net periodic pension income is presented in costs of services and selling, general and administrative and the other components of net periodic pension income are presented in other income, net.

Note 14 – Income Taxes

The Company's effective tax rate ("ETR") was 40.2% and 38.6% for the three months ended December 31, 2022 and December 31, 2021, respectively, and 30.9% and 42.4% for the nine months ended December 31, 2022 and December 31, 2021, respectively. For the three months ended December 31, 2022, the primary drivers of the ETR were the global mix of income, U.S. tax on foreign income, a decrease in the base erosion and anti-abuse tax, and an increase in unrecognized tax benefits primarily related to foreign tax credits. For the nine months ended December 31, 2022, the primary drivers of the ETR were the global mix of income, U.S. tax on foreign income, a decrease in the base erosion and anti-abuse tax, and the tax impact of business divestitures. For the three months ended December 31, 2021, the primary drivers of the ETR were the global mix of income, an increase in unrecognized tax benefits primarily related to deductions taken in prior tax returns and tax rate changes in non-U.S. jurisdictions. For the nine months ended December 31, 2021, the primary drivers of the ETR were the global mix of income, gain on sale of HPS business, tax rate changes in non-U.S. jurisdictions and recording a valuation allowance on certain deferred tax assets in non-U.S. jurisdictions.

The majority of our global unremitted foreign earnings have been taxed or would be exempt from U.S. tax upon repatriation. Such earnings and all current foreign earnings are not indefinitely reinvested. The following earnings are considered indefinitely reinvested: approximately \$475 million that could be subject to U.S. federal tax when repatriated to the U.S. under section 1.245A-5(b) of the final Treasury regulations; and our accumulated earnings in India as of March 31, 2021. A portion of these indefinitely reinvested earnings may be subject to foreign and U.S. state tax consequences when remitted. The Company will continue to evaluate its position based on its future strategy and cash needs.

In connection with the HPES Merger, the Company entered into a tax matters agreement with HPE. HPE generally will be responsible for tax liabilities arising prior to the HPES Merger, and DXC is liable to HPE for income tax receivables it receives related to pre-HPES Merger periods. Pursuant to the tax matters agreement, the Company recorded a \$27 million tax indemnification receivable related to uncertain tax positions, a \$60 million tax indemnification receivable related to other tax payables, and a \$104 million tax indemnification payable related to other tax receivables.

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In connection with the spin-off of the Company's former U.S. public sector business (the "USPS Separation"), the Company entered into a tax matters agreement with Perspecta Inc. (including its successors and permitted assigns, "Perspecta"). The Company generally will be responsible for tax liabilities arising prior to the USPS Separation, and Perspecta is liable to the Company for income tax receivables related to pre-spin-off periods. Income tax liabilities transferred to Perspecta primarily relate to pre-HPES Merger periods, for which the Company is indemnified by HPE pursuant to the tax matters agreement between the Company and HPE. The Company remains liable to HPE for tax receivables transferred to Perspecta related to pre-HPES Merger periods. Pursuant to the tax matters agreement, the Company recorded a \$50 million tax indemnification receivable from Perspecta related to other tax payables and a \$6 million tax indemnification payable to Perspecta related to income tax and other tax receivables.

In connection with the sale of the HPS business, the Company entered into a tax matters agreement with Dedalus. Pursuant to the tax matters agreement, the Company generally will be responsible for tax liabilities arising prior to the sale of the HPS business.

The Internal Revenue Service (the "IRS") has examined, or is examining, the Company's federal income tax returns for fiscal 2009 through the tax year ended October 31, 2018. With respect to CSC's fiscal 2009 through 2017 federal tax returns, the Company participated in settlement negotiations with the IRS Office of Appeals. The IRS examined several issues for these tax years that resulted in various audit adjustments. The Company and the IRS Office of Appeals have settled various audit adjustments, and we disagree with the IRS' disallowance of certain losses and deductions resulting from restructuring costs and tax planning strategies in previous years. As we believe we will ultimately prevail on the technical merits of the disagreed items and are challenging them in U.S. Tax Court, these matters are not fully reserved and would result in a federal and state tax expense of approximately \$472 million (including estimated interest and penalties) for the unreserved portion of these items and related cash cost if we do not prevail. We have received notices of deficiency with respect to fiscal 2009, 2010, 2011 and 2013 and have timely filed petitions with the U.S. Tax Court. We do not expect the U.S. Tax Court matters to be resolved in the next 12 months.

The Company's fiscal years 2009, 2010, 2011 and 2013 are in the U.S. Tax Court, and consequently these years will remain open until such proceedings have concluded. The statute of limitations on assessments related to a refund claim for fiscal year 2012 is open through February 28, 2025. The Company has agreed to extend the statute of limitations for fiscal years 2014 and 2015 through February 28, 2023 and fiscal and tax return years 2016 through 2020 to September 30, 2024. The statute of limitations is also open on assessments related to certain refund claims for fiscal years 2014 to 2017 through August 15, 2023.

The Company expects to reach resolution with regard to disagreed items for fiscal years 2009 through 2013 no earlier than fiscal 2025, to reach resolution for fiscal years 2014 and 2015 no earlier than fiscal 2024, and to reach resolution for fiscal years 2016 through 2020 no earlier than fiscal 2025.

The Company may settle certain other tax examinations for different amounts than the Company has accrued as uncertain tax positions. Consequently, the Company may need to accrue and ultimately pay additional amounts or pay lower amounts than previously estimated and accrued when positions are settled in the future. For the three months ended December 31, 2022, the Company's liability for uncertain tax positions increased by \$16 million (excluding interest and penalties and related tax attributes) primarily due to the benefit of U.S. foreign tax credits. The Company believes the outcomes that are reasonably possible within the next 12 months to result in a reduction in its liability for uncertain tax positions, excluding interest, penalties, and tax carryforwards, would be approximately \$7 million.

Note 15 – Stockholders’ Equity

Share Repurchases

The details of shares repurchased during the nine months ended December 31, 2022 and December 31, 2021 are shown below:

Fiscal Period	Fiscal 2023			Fiscal 2022		
	Number of Shares Repurchased	Average Price Per Share	Amount (in millions)	Number of Shares Repurchased	Average Price Per Share	Amount (in millions)
1st Quarter	8,850,912	\$ 30.09	\$ 266	1,750,000	\$ 38.52	\$ 67
2nd Quarter	—	\$ —	—	2,112,212	\$ 39.10	83
3rd Quarter	2,063,645	\$ 27.41	57	6,755,555	\$ 31.48	213
Total	10,914,557	\$ 29.59	\$ 323	10,617,767	\$ 34.15	\$ 363

Accumulated Other Comprehensive Loss

The following table shows the changes in accumulated other comprehensive loss, net of taxes:

(in millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Pension and Other Post-retirement Benefit Plans	Accumulated Other Comprehensive Loss
Balance at March 31, 2022	\$ (651)	\$ 10	\$ 256	\$ (385)
Other comprehensive (loss) income before reclassifications	(329)	(7)	—	(336)
Amounts reclassified from accumulated other comprehensive loss	—	(10)	(5)	(15)
Balance at December 31, 2022	\$ (980)	\$ (7)	\$ 251	\$ (736)

(in millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Pension and Other Post-retirement Benefit Plans	Accumulated Other Comprehensive Loss
Balance at March 31, 2021	\$ (554)	\$ (1)	\$ 253	\$ (302)
Other comprehensive (loss) income before reclassifications	—	12	—	12
Amounts reclassified from accumulated other comprehensive loss ⁽¹⁾	(86)	(3)	(6)	(95)
Balance at December 31, 2021	\$ (640)	\$ 8	\$ 247	\$ (385)

⁽¹⁾ Includes net cumulative foreign currency translation losses of \$86 million upon sale of foreign entities primarily related to the HPS business divestiture. See Note 2 – “Divestitures” for additional information.

Note 16 – Stock Incentive Plans

Restricted Stock Units and Performance-Based Restricted Stock Units

Restricted stock units (“RSUs”) represent the right to receive one share of DXC common stock upon a future settlement date, subject to vesting and other terms and conditions of the award, plus any dividend equivalents accrued during the award period. The Company also grants Performance-based restricted stock units (“PSUs”), which generally vest over a three-year period. The number of PSUs that ultimately vest is dependent upon the Company’s achievement of certain specified market- and performance-based criteria over the three-year vesting period. The fair value of RSUs and PSUs is based on the Company’s common stock closing price on the grant date. For PSUs with a market-based condition, DXC uses a Monte Carlo simulation model to value the grants.

	Employee Equity Plan		Director Equity Plan	
	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of March 31, 2022	7,477,126	\$ 35.89	156,722	\$ 36.18
Granted	3,273,088	\$ 38.65	58,500	\$ 31.54
Settled	(2,061,787)	\$ 33.65	(75,335)	\$ 32.62
Canceled/Forfeited	(1,095,402)	\$ 38.72	—	\$ —
Outstanding as of December 31, 2022	7,593,025	\$ 37.11	139,887	\$ 36.15

Share-Based Compensation

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Total share-based compensation cost	\$ 26	\$ 26	\$ 81	\$ 77
Related income tax benefit	\$ 2	\$ 4	\$ 8	\$ 11

Note 17 – Cash Flows

Cash payments for interest on indebtedness and income taxes and other select non-cash activities are as follows:

(in millions)	Nine Months Ended	
	December 31, 2022	December 31, 2021
Cash paid for:		
Interest	\$ 115	\$ 177
Taxes on income, net of refunds ⁽¹⁾	\$ 289	\$ 326
Non-cash activities:		
Operating:		
ROU assets obtained in exchange for lease, net ⁽²⁾	\$ 193	\$ 130
Assets acquired under long-term financing	\$ 74	\$ 111
Investing:		
Capital expenditures in accounts payable and accrued expenses	\$ 2	\$ 60
Capital expenditures through finance lease obligations	\$ 73	\$ 180
Assets acquired under long-term financing	\$ 6	\$ 44
Financing:		
Shares repurchased but not settled in cash	\$ 4	\$ 11

⁽¹⁾ Income tax refunds were \$56 million and \$46 million for the nine months ended December 31, 2022 and December 31, 2021, respectively.

⁽²⁾ Net of \$911 million and \$792 million in lease modifications and terminations during the first nine months of fiscal 2023 and 2022, respectively.

Note 18 – Segment Information

DXC has a matrix form of organization and is managed in several different and overlapping groupings including services, industries and geographic regions. As a result, and in accordance with accounting standards, operating segments are organized by the type of services provided. DXC's chief operating decision maker ("CODM"), the chief executive officer, obtains, reviews, and manages the Company's financial performance based on these segments. The CODM uses these results, in part, to evaluate the performance of, and allocate resources to, each of the segments.

Global Business Services ("GBS")

GBS provides innovative technology solutions that help our customers address key business challenges and accelerate transformations tailored to each customer's industry and specific objectives. GBS offerings include:

- *Analytics and Engineering.* Our portfolio of analytics services and extensive partner ecosystem help customers gain rapid insights, automate operations, and accelerate their transformation journeys. We provide software engineering, consulting, and data analytics solutions that enable businesses to run and manage their mission-critical functions, transform their operations, and develop new ways of doing business.
- *Applications.* We help simplify, modernize, and accelerate mission-critical applications that support business agility and growth through our Applications services. We are the engineers that enable our customers to take advantage of the latest digital platforms with both customized and pre-packaged applications, ensure resiliency, launch new products and enter new markets with minimal disruption. We help customers define, execute and manage their enterprise applications strategy.
- *Insurance Software and Business Process Services.* We partner with insurance clients, to modernize and run IT systems, provide proprietary modular insurance software and platforms, and operate the full spectrum of insurance business process services. We also help operate and continuously improve bank cards, payment and lending processes and operations, and customer experience operations. We administer 13 million insurance policies and contracts, and manage 250 million customer interactions each year across industries.

Global Infrastructure Services ("GIS")

GIS provides a portfolio of technology offerings that deliver predictable outcomes and measurable results while reducing business risk and operational costs for customers. GIS offerings include:

- *Security.* Our Security services help customers assess risk and proactively address all facets of the security environment, from threat intelligence to compliance. We leverage proven methodologies, intelligent automation and industry-leading partners to tailor security solutions to customers' unique business needs. Our experts weave cyber resilience into IT security, operations and culture. Whether migrating to the cloud, protecting data with a Zero Trust strategy or managing a security operations center, our Security services enable our customers to focus on their business.
- *Cloud Infrastructure and IT Outsourcing ("ITO").* We enable customers to do Cloud Right™, making the right investments at the right time and on the right platforms. We orchestrate hybrid cloud and multicloud environments, ensuring private and public clouds, servers and mainframes operate effectively together. We provide companies with tailored plans for cloud migration and optimization to enable successful transformation. We leverage our deep expertise in legacy IT and drive innovation with reliable, secure, mission-critical IT Outsourcing services – from compute and data center, to storage and backup, to network, to mainframe and to business continuity – providing a clear path to modernization.
- *Modern Workplace.* Our Modern Workplace services put the employee experience first, helping them achieve new levels of productivity, engagement and collaboration while working seamlessly and securely on any device. Organizations are empowered to deliver a consumer-like experience, centralize IT management and support services, and improve the total cost of ownership.

DXC TECHNOLOGY COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Segment Measures

The following table summarizes operating results regularly provided to the CODM by reportable segment and a reconciliation to the financial statements:

(in millions)	GBS	GIS	Total Reportable Segments	All Other	Totals
Three Months Ended December 31, 2022					
Revenues	\$ 1,738	\$ 1,828	\$ 3,566	\$ —	\$ 3,566
Segment profit	\$ 244	\$ 123	\$ 367	\$ (58)	\$ 309
Depreciation and amortization ⁽¹⁾	\$ 42	\$ 209	\$ 251	\$ 24	\$ 275
Three Months Ended December 31, 2021					
Revenues	\$ 1,946	\$ 2,143	\$ 4,089	\$ —	\$ 4,089
Segment profit	\$ 315	\$ 102	\$ 417	\$ (62)	\$ 355
Depreciation and amortization ⁽¹⁾	\$ 39	\$ 252	\$ 291	\$ 27	\$ 318
Nine Months Ended December 31, 2022					
Revenues	\$ 5,209	\$ 5,630	\$ 10,839	\$ —	\$ 10,839
Segment profit	\$ 672	\$ 364	\$ 1,036	\$ (199)	\$ 837
Depreciation and amortization ⁽¹⁾	\$ 123	\$ 643	\$ 766	\$ 73	\$ 839
Nine Months Ended December 31, 2021					
Revenues	\$ 5,706	\$ 6,551	\$ 12,257	\$ —	\$ 12,257
Segment profit	\$ 885	\$ 351	\$ 1,236	\$ (203)	\$ 1,033
Depreciation and amortization ⁽¹⁾	\$ 130	\$ 755	\$ 885	\$ 84	\$ 969

⁽¹⁾ Depreciation and amortization as presented excludes amortization of acquired intangible assets of \$100 million and \$106 million for the three months ended December 31, 2022 and 2021, respectively, and \$305 million and \$325 million for the nine months ended December 31, 2022 and 2021, respectively.

Reconciliation of Reportable Segment Profit to Consolidated Total

The Company's management uses segment profit as the measure for assessing performance of its segments. Segment profit is defined as segment revenues less cost of services, segment selling, general and administrative, depreciation and amortization, and other income (excluding the movement in foreign currency exchange rates on DXC's foreign currency denominated assets and liabilities and the related economic hedges). The Company does not allocate to its segments certain operating expenses managed at the corporate level. These unallocated costs generally include certain corporate function costs, stock-based compensation expense, pension and OPEB actuarial and settlement gains and losses, restructuring costs, transaction, separation, and integration-related costs and amortization of acquired intangible assets.

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Profit				
Total profit for reportable segments	\$ 367	\$ 417	\$ 1,036	\$ 1,236
All other loss	(58)	(62)	(199)	(203)
Subtotal	\$ 309	\$ 355	\$ 837	\$ 1,033
Interest income	41	15	89	51
Interest expense	(56)	(38)	(137)	(161)
Restructuring costs	(49)	(36)	(135)	(248)
Transaction, separation and integration-related costs	(6)	(11)	(12)	(23)
Amortization of acquired intangible assets	(100)	(106)	(305)	(325)
Merger related indemnification	(11)	—	(21)	—
SEC Matter	—	—	(8)	—
(Losses) gains on dispositions	(9)	(4)	(12)	343
Arbitration loss	(9)	—	(9)	—
Impairment losses	(8)	—	(8)	(10)
Debt extinguishment costs	—	(2)	—	(311)
Pension and OPEB actuarial and settlement losses	—	(7)	(1)	(7)
Income before income taxes	\$ 102	\$ 166	\$ 278	\$ 342

Management does not use total assets by segment to evaluate segment performance or allocate resources. As a result, assets are not tracked by segment and therefore, total assets by segment are not disclosed.

Note 19 – Commitments and Contingencies

Commitments

Minimum purchase commitments as of December 31, 2022 were as follows:

Fiscal year (in millions)	Minimum Purchase Commitment
Remainder of 2023	\$ 159
2024	440
2025	271
2026	256
2027	27
Total	<u>\$ 1,153</u>

Contingencies

Forsyth, et al. v. HP Inc. and Hewlett Packard Enterprise: On August 18, 2016, this purported class and collective action was filed in the U.S. District Court for the Northern District of California, against HP and HPE alleging violations of the Federal Age Discrimination in Employment Act ("ADEA") and California state law, in connection with workforce reductions that occurred in or after August 2012 in California, and in or after as early as December 2014 in other U.S. locations. Former business units of HPE now owned by the Company, and former business units of the Company now owned by Peraton (formerly Perspecta), may be proportionately liable for any recovery by plaintiffs in this matter.

In December 2020, Plaintiffs filed a motion for preliminary certification of the collective action, which Defendants opposed. In April 2021, the court granted Plaintiffs' motion for preliminary certification and lifted the previously imposed stay of the action. In November 2021, notice was sent to putative members of the ADEA collectives regarding participation in the case. In February 2022, the notice period closed. The litigation is currently in discovery.

Oracle America, Inc., et al. v. Hewlett Packard Enterprise Company: On March 22, 2016, Oracle filed a complaint against HPE in the U.S. District Court for the Northern District of California, alleging copyright infringement, interference with contract, intentional interference with prospective economic relations, and unfair competition. The litigation relates in part to former business units of HPE that are now owned by the Company. The Company may be required to indemnify HPE for a portion of any recovery by Oracle in the litigation related to these business units.

Oracle's claims arise primarily out of HPE's prior relationship with a third-party maintenance provider named Terix Computer Company, Inc. ("Terix"). Oracle claims that Terix infringed its copyrights while acting as HPE's subcontractor for certain customers of HPE's multivendor support business. Oracle claims that HPE is liable for vicarious and contributory infringement arising from the alleged actions of Terix and for direct infringement arising from HPE's own alleged conduct.

On January 29, 2019, the court granted HPE's motion for summary judgment and denied Oracle's motion for summary judgment, resolving the matter in HPE's favor. Oracle appealed the judgment to the U.S. Court of Appeals for the Ninth Circuit. In August 2020, the court granted Oracle's appeal in part. The case was then remanded to the District Court for further proceedings.

In January 2021, the District Court entered a scheduling order that provided for summary judgment briefing to be completed by May 2021 and a trial date in November 2021. In June 2021, the Court issued a decision denying HPE's motion for summary judgment and granting Oracle's motion for summary judgment on various HPE defenses. In November 2021, the court issued an order continuing the trial to May 2022.

A jury trial was held in May - June 2022, after which a jury awarded Oracle \$30 million in damages. In September 2022, Oracle filed a motion seeking \$27 million in attorneys' fees and prejudgment interest. In November 2022, the Company entered into a settlement agreement with Oracle and HPE, resolving all matters in the litigation and the Company's indemnification obligations to HPE. In January 2023, the Court entered an order dismissing the case with prejudice. The matter is now closed.

In re DXC Technology Company Securities Litigation: Previously disclosed securities litigation matters have been dismissed, with one case remaining, in the Superior Court of the State of California.

On August 20, 2019, a purported class action lawsuit was filed in the Superior Court of the State of California, County of Santa Clara, against the Company, directors of the Company, and a former officer of the Company, among other defendants. The action asserts claims under Sections 11, 12 and 15 of the Securities Act of 1933, as amended, and is premised on allegedly false and/or misleading statements, and alleged non-disclosure of material facts, regarding the Company's prospects and expected performance. The putative class of plaintiffs includes all persons who acquired shares of the Company's common stock pursuant to the offering documents filed with the Securities and Exchange Commission in connection with the April 2017 transaction that formed DXC.

The State of California action had been stayed pending the outcome of the substantially similar federal action filed in the United States District Court for the Northern District of California. The federal action was dismissed with prejudice in December 2021. Thereafter, the state court lifted the stay and entered an order permitting additional briefing by the parties. In March 2022, Plaintiffs filed an amended complaint, which the Company moved to dismiss. In August 2022, the Court granted the Company's motion to dismiss, but permitted Plaintiffs to amend and refile their complaint. In September 2022, Plaintiffs filed a second amended complaint, which the Company moved to dismiss. In January 2023, the Court issued an order denying the Company's motion to dismiss the second amended complaint. The Court has scheduled a case management conference in February 2023 to discuss how the matter will progress.

The Company believes that the final remaining lawsuit described above is also without merit, and intends to vigorously defend it.

Tax Examinations: The Company is under IRS examination in the U.S. on its federal income tax returns for certain fiscal years and is in disagreement with the IRS on certain tax positions. For more detail, see Note 14 – "Income Taxes" for further information.

SEC Matter: In December 2019, the Company received a request for voluntary production of information in connection with an informal investigation by the U.S. Securities and Exchange Commission. The current focus of the investigation is the Company's historical reporting related to its non-GAAP adjustment for "transaction, separation, and integration-related costs," including whether the disclosure the Company previously used to describe the non-GAAP adjustment was sufficiently broad to cover certain expenses the Company included as transaction, separation, and integration-related costs. The non-GAAP costs at issue primarily consist of expenses associated with the business combination that formed DXC in 2017. The Company has cooperated fully with the SEC's informal investigation, and the new management team appointed beginning in September of 2019 has proactively clarified and expanded the disclosure of the Company's non-GAAP transaction, separation, and integration-related costs. In addition, the new management team significantly reduced the transaction, separation, and integration-related costs.

The Company intends to continue its voluntary cooperation with the SEC while seeking to resolve the matter. There can be no guarantee that any final resolution will be reached or, if one is reached, as to the timing or final terms of any such resolution. However, in the second quarter of the Company's fiscal year 2023, the Company accrued \$8 million, representing its current estimate of the settlement costs based on its ongoing discussions with the SEC.

In addition to the matters noted above, the Company is currently subject in the normal course of business to various claims and contingencies arising from, among other things, disputes with customers, vendors, employees, contract counterparties and other parties, as well as securities matters, environmental matters, matters concerning the licensing and use of intellectual property, and inquiries and investigations by regulatory authorities and government agencies. Some of these disputes involve or may involve litigation. The financial statements reflect the treatment of claims and contingencies based on management's view of the expected outcome. DXC consults with outside legal counsel on issues related to litigation and regulatory compliance and seeks input from other experts and advisors with respect to matters in the ordinary course of business. Although the outcome of these and other matters cannot be predicted with certainty, and the impact of the final resolution of these and other matters on the Company's results of operations in a particular subsequent reporting period could be material and adverse, management does not believe based on information currently available to the Company, that the resolution of any of the matters currently pending against the Company will have a material adverse effect on the financial position of the Company or the ability of the Company to meet its financial obligations as they become due. Unless otherwise noted, the Company is unable to determine at this time a reasonable estimate of a possible loss or range of losses associated with the foregoing disclosed contingent matters.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

All statements and assumptions contained in this Quarterly Report on Form 10-Q and in the documents incorporated by reference that do not directly and exclusively relate to historical facts constitute "forward-looking statements." Forward-looking statements often include words such as "anticipates," "believes," "estimates," "expects," "forecast," "goal," "intends," "objective," "plans," "projects," "strategy," "target," and "will" and words and terms of similar substance in discussions of future operating or financial performance. These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved.

Forward-looking statements include, among other things, statements with respect to our future financial condition, results of operations, cash flows, business strategies, operating efficiencies or synergies, divestitures, competitive position, growth opportunities, share repurchases, dividend payments, plans and objectives of management and other matters. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control. Furthermore, many of these risks and uncertainties are currently amplified by and may continue to be amplified by or may, in the future, be amplified by the coronavirus disease 2019 ("COVID-19") crisis and the impact of varying private and governmental responses that affect our customers, employees, vendors and the economies and communities where they operate.

Important factors that could cause actual results to differ materially from those described in forward-looking statements include, but are not limited to:

- the uncertainty of the magnitude, duration, geographic reach of the COVID-19 crisis, its impact on the global economy and the impact of current and potential travel restrictions, stay-at-home orders, vaccine mandates and economic restrictions implemented to address the crisis;
- our inability to succeed in our strategic objectives;
- the risk of liability or damage to our reputation resulting from security incidents, including breaches, and cyber-attacks to our systems and networks and those of our business partners, insider threats, disclosure of sensitive data or failure to comply with data protection laws and regulations in a rapidly evolving regulatory environment; in each case, whether deliberate or accidental;
- our inability to develop and expand our service offerings to address emerging business demands and technological trends, including our inability to sell differentiated services amongst our offerings;
- our inability to compete in certain markets and expand our capacity in certain offshore locations and risks associated with such offshore locations such as Russia's recent invasion of Ukraine;
- failure to maintain our credit rating and ability to manage working capital, refinance and raise additional capital for future needs;
- our indebtedness;
- the competitive pressures faced by our business;
- our inability to accurately estimate the cost of services, and the completion timeline of contracts;
- execution risks by us and our suppliers, customers, and partners;
- the risks associated with natural disasters;
- our inability to retain and hire key personnel and maintain relationships with key partners;
- the risks associated with prolonged periods of inflation or current macroeconomic conditions, including the current decline in economic growth rates in the United States and in other countries, including the possibility of reduced spending by customers in the areas we serve, the success of our cost-takeout efforts, continuing unfavorable foreign exchange rate movements, and our ability to close new deals in the event of an economic slowdown;
- the risks associated with our international operations, such as risks related to currency exchange rates and the withdrawal of U.K. from the European Union on January 31, 2020;
- our inability to comply with governmental regulations or the adoption of new laws or regulations, including social and environmental responsibility regulations, policies and provisions;
- our inability to achieve the expected benefits of our restructuring plans;
- inadvertent infringement of third-party intellectual property rights or our inability to protect our own intellectual property assets;
- our inability to procure third-party licenses required for the operation of our products and service offerings;
- risks associated with disruption of our supply chain;
- our inability to maintain effective internal control over financial reporting;

- *potential losses due to asset impairment charges;*
- *our inability to pay dividends or repurchase shares of our common stock;*
- *pending investigations, claims and disputes and any adverse impact on our profitability and liquidity;*
- *disruptions in the credit markets, including disruptions that reduce our customers' access to credit and increase the costs to our customers of obtaining credit;*
- *our failure to bid on projects effectively;*
- *financial difficulties of our customers and our inability to collect receivables;*
- *our inability to maintain and grow our customer relationships over time and to comply with customer contracts or government contracting regulations or requirements;*
- *our inability to succeed in our strategic transactions;*
- *changes in tax laws and any adverse impact on our effective tax rate;*
- *risks following the merger of Computer Sciences Corporation ("CSC") and Enterprise Services business of Hewlett Packard Enterprise Company's ("HPES") businesses, including anticipated tax treatment, unforeseen liabilities, and future capital expenditures;*
- *risks following the spin-off of our former U.S. Public Sector business (the "USPS") and its related mergers with Vencore Holding Corp. and KeyPoint Government Solutions in June 2018 to form Perspecta Inc. (including its successors and permitted assigns, "Perspecta"), which was acquired by Peraton in May 2021; and*
- *the other factors described in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022 and subsequent SEC filings, including Part II Item 1A "Risk Factors" of this Quarterly Report on Form 10-Q.*

No assurance can be given that any goal or plan set forth in any forward-looking statement can or will be achieved, and readers are cautioned not to place undue reliance on such statements, which speak only as of the date they are made. Any forward-looking statement made by us in this Quarterly Report on Form 10-Q speaks only as of the date on which this Quarterly Report on Form 10-Q was first filed. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The purpose of the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is to present information that management believes is relevant to an assessment and understanding of our results of operations and cash flows for the third quarter and first nine months of fiscal 2023 and our financial condition as of December 31, 2022. The MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and accompanying notes.

The MD&A is organized in the following sections:

- Background
- Results of Operations
- Liquidity and Capital Resources
- Critical Accounting Estimates

The following discussion includes a comparison of our results of operations and liquidity and capital resources for the third quarter and first nine months of fiscal 2023 and fiscal 2022. References are made throughout to the numbered Notes to the Condensed Consolidated Financial Statements ("Notes") in this Quarterly Report on Form 10-Q.

Background

DXC helps global companies run their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. The world's largest companies and public sector organizations trust DXC to deploy services to drive new levels of performance, competitiveness, and customer experience across their IT estates.

We generate revenue by offering a wide range of information technology services and solutions primarily in North America, Europe, Asia, and Australia. We operate through two segments: Global Business Services ("GBS") and Global Infrastructure Services ("GIS"). We market and sell our services directly to customers through our direct sales offices around the world. Our customers include commercial businesses of many sizes and in many industries and public sector clients.

Results of Operations

The following table sets forth certain financial data for the third quarter and first nine months of fiscal 2023 and fiscal 2022:

(In millions, except per-share amounts)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Revenues	\$ 3,566	\$ 4,089	\$ 10,839	\$ 12,257
Income before income taxes	102	166	278	342
Income tax expense	41	64	86	145
Net income	\$ 61	\$ 102	\$ 192	\$ 197
Diluted earnings per share	\$ 0.25	\$ 0.38	\$ 0.80	\$ 0.73

Revenues

Our revenues by geography and operating segment are provided below:

(in millions)	Three Months Ended			Three Months Ended	
	December 31, 2022	December 31, 2021	Percentage Change	Constant Currency December 31, 2022 ⁽¹⁾	Percentage Change in Constant Currency ⁽¹⁾
Geographic Market					
United States	\$ 1,054	\$ 1,168	(9.8)%	\$ 1,054	(9.8)%
United Kingdom	469	578	(18.9)%	539	(6.7)%
Other Europe	1,119	1,319	(15.2)%	1,227	(7.0)%
Australia	343	376	(8.8)%	380	1.1%
Other International	581	648	(10.3)%	635	(2.0)%
Total Revenues	\$ 3,566	\$ 4,089	(12.8)%	\$ 3,835	(6.2)%
Operating Segments					
GBS	\$ 1,738	\$ 1,946	(10.7)%	\$ 1,863	(4.3)%
GIS	1,828	2,143	(14.7)%	1,972	(8.0)%
Total Revenues	\$ 3,566	\$ 4,089	(12.8)%	\$ 3,835	(6.2)%
Three Months Ended					
(in millions)	Three Months Ended			Three Months Ended	
	December 31, 2022	December 31, 2021	Percentage Change	Constant Currency December 31, 2022 ⁽¹⁾	Percentage Change in Constant Currency ⁽¹⁾
Geographic Market					
United States	\$ 3,278	\$ 3,570	(8.2)%	\$ 3,278	(8.2)%
United Kingdom	1,394	1,749	(20.3)%	1,597	(8.7)%
Other Europe	3,321	3,878	(14.4)%	3,698	(4.6)%
Australia	1,105	1,172	(5.7)%	1,201	2.5%
Other International	1,741	1,888	(7.8)%	1,876	(0.6)%
Total Revenues	\$ 10,839	\$ 12,257	(11.6)%	\$ 11,650	(5.0)%
Operating Segments					
GBS	\$ 5,209	\$ 5,706	(8.7)%	\$ 5,584	(2.1)%
GIS	5,630	6,551	(14.1)%	6,066	(7.4)%
Total Revenues	\$ 10,839	\$ 12,257	(11.6)%	\$ 11,650	(5.0)%

⁽¹⁾ Constant currency revenues are a non-GAAP measure calculated by translating current period activity into U.S. dollars using the comparable prior period's currency conversion rates. This information is consistent with how management views our revenues and evaluates our operating performance and trends. For more information, see "Non-GAAP Financial Measures."

For the third quarter of fiscal 2023, our total revenue was \$3.6 billion, a decrease of \$523 million or 12.8%, as compared to the same period a year ago. The 12.8% decrease against the comparative period includes a 6.6% unfavorable foreign currency exchange rate impact, a 2.4% decline in revenue from the disposition of certain businesses, and a 3.8% decline in organic revenue. Organic revenue growth is a non-GAAP measure. For more information, see "Non-GAAP Financial Measures."

For the first nine months of fiscal 2023, our total revenue was \$10.8 billion, a decrease of \$1,418 million or 11.6%, as compared to the same period a year ago. The 11.6% decrease against the comparative period includes a 6.6% unfavorable foreign currency exchange rate impact, a 2.4% decline in revenue from the disposition of certain businesses, and a 2.6% decline in organic revenue.

The unfavorable foreign currency exchange rate impact is primarily driven by the strengthening of the U.S. dollar against the British Pound, Euro, and Australian Dollar.

For the discussion of risks associated with our foreign operations, see Part 1, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

Global Business Services

For the third quarter of fiscal 2023, GBS revenue was \$1.7 billion, a decrease of \$208 million or 10.7%, as compared to the same period a year ago. The 10.7% decrease against the comparative period includes a 6.4% unfavorable foreign currency exchange rate impact and a 4.5% decline in revenue from the disposition of certain businesses, partially offset by 0.2% organic revenue growth from additional services provided to new and existing customers.

For the first nine months of fiscal 2023, GBS revenue was \$5.2 billion, a decrease of \$497 million or 8.7%, as compared to the same period a year ago. The 8.7% decrease against the comparative period includes a 6.6% unfavorable foreign currency exchange rate impact and a 4.2% decline in revenue from the disposition of certain businesses, partially offset by 2.1% organic revenue growth from additional services provided to new and existing customers.

For the third quarter and first nine months of fiscal 2023, GBS contract awards were \$2.1 billion and \$5.5 billion, respectively, as compared to \$2.5 billion and \$6.6 billion, respectively, in the same periods in fiscal 2022.

Global Infrastructure Services

For the third quarter of fiscal 2023, our GIS revenue was \$1.8 billion, a decrease of \$315 million or 14.7%, as compared to the same period a year ago. The 14.7% decrease against the comparative period includes a 6.7% unfavorable foreign currency exchange rate impact, 0.6% decline in revenue from the disposition of certain businesses, and a 7.4% decline in organic revenue.

For the first nine months of fiscal 2023, our GIS revenue was \$5.6 billion, a decrease of \$921 million or 14.1%, as compared to the same period a year ago. The 14.1% decrease against the comparative period includes a 6.7% unfavorable foreign currency exchange rate impact, 0.6% decline in revenue from the disposition of certain businesses, and a 6.8% decline in organic revenue.

For the third quarter and first nine months of fiscal 2023, GIS contract awards were \$2.7 billion and \$5.5 billion, respectively, as compared to \$2.5 billion and \$6.7 billion, respectively, in the same periods in fiscal 2022.

Costs and Expenses

Our total costs and expenses are provided below:

(in millions)	Dollar Amount				Dollar Amount			
	Three Months Ended December 31,		Change		Nine Months Ended December 31,		Change	
	2022	2021	Dollar	Percent	2022	2021	Dollar	Percent
Costs of services	\$ 2,799	\$ 3,179	\$ (380)	(12.0)%	\$ 8,504	\$ 9,522	\$ (1,018)	(10.7)%
Selling, general and administrative	315	340	(25)	(7.4)	988	1,093	(105)	(9.6)
Depreciation and amortization	375	424	(49)	(11.6)	1,144	1,294	(150)	(11.6)
Restructuring costs	49	36	13	36.1	135	248	(113)	(45.6)
Interest expense	56	38	18	47.4	137	161	(24)	(14.9)
Interest income	(41)	(15)	(26)	173.3	(89)	(51)	(38)	74.5
Debt extinguishment costs	—	2	(2)	(100.0)	—	311	(311)	(100.0)
Loss (gain) on disposition of businesses	9	4	5	125.0	12	(373)	385	(103.2)
Other income, net	(98)	(85)	(13)	15.3	(270)	(290)	20	(6.9)
Total Costs and Expenses	<u>\$ 3,464</u>	<u>\$ 3,923</u>	<u>\$ (459)</u>	<u>(11.7)%</u>	<u>\$ 10,561</u>	<u>\$ 11,915</u>	<u>\$ (1,354)</u>	<u>(11.4)%</u>

Costs of Services

Costs of services, excluding depreciation and amortization and restructuring costs (“COS”), were \$2.8 billion and \$8.5 billion for the third quarter and first nine months of fiscal 2023, respectively, a decrease of \$380 million and \$1,018 million, respectively, as compared to the same periods of the prior fiscal year.

For the third quarter of fiscal 2023, the \$380 million decrease in expenses against the comparative period was primarily due to a favorable foreign currency exchange rate impact of \$211 million, a decrease in payroll related expenses due to a combination of lower revenues and our cost optimization efforts, and lower spend on professional services and contractor-related expenses.

For the first nine months of fiscal 2023, the \$1,018 million decrease in expenses against the comparative period was primarily due to a favorable foreign currency exchange rate impact of \$643 million, a decrease in payroll related expenses due to a combination of lower revenues and our cost optimization efforts, and lower spend on professional services and contractor-related expenses.

In fiscal 2023, COS as a percentage of revenue increased against the comparative periods and was primarily driven by a decline in revenue exceeding the associated decline in payroll related expenses.

Selling, General and Administrative

Selling, general and administrative expense, excluding depreciation and amortization and restructuring costs (“SG&A”), was \$315 million and \$988 million for the third quarter and first nine months of fiscal 2023, respectively, a decrease of \$25 million and \$105 million, respectively, as compared to the same periods of the prior fiscal year.

For the third quarter of fiscal 2023, the \$25 million decrease in expenses against the comparative period was primarily due to a favorable foreign currency exchange rate impact of \$17 million and lower payroll related expenses, partially offset by an \$11 million charge for merger-related indemnification expenses and \$9 million for an arbitration loss.

For the first nine months of fiscal 2023, the \$105 million decrease in expenses against the comparative period was primarily due to a favorable foreign currency exchange rate impact of \$54 million, lower payroll related expenses, lower real estate costs and other professional and contractor-related expenses, partially offset by a \$21 million charge for merger related indemnification expenses, \$9 million for an arbitration loss, and \$8 million for the SEC Matter.

Depreciation and Amortization

Depreciation expense was \$123 million and \$390 million for the third quarter and first nine months of fiscal 2023, respectively, a decrease of \$33 million and \$89 million, respectively, as compared to the same periods of the prior fiscal year. The decreases in depreciation expense were primarily due to lower average net property and equipment balances and favorable foreign currency exchange rate impacts of \$8 million and \$25 million for the third quarter and first nine months of fiscal 2023, respectively.

Amortization expense was \$252 million and \$754 million for the third quarter and first nine months of fiscal 2023, respectively, a decrease of \$16 million and \$61 million, respectively, as compared to the same periods of the prior fiscal year. The decreases in amortization expense were primarily due to decreases in software amortization, a reduction in transition and transformation contract cost amortization due to contract completions, and favorable foreign currency exchange rate impacts of \$12 million and \$36 million for the third quarter and first nine months of fiscal 2023, respectively.

Restructuring Costs

Restructuring costs represent severance related to workforce optimization programs and expense associated with facilities and data center rationalization.

During fiscal 2023, management approved global cost savings initiatives designed to better align our workforce and facility structures. During the third quarter and first nine months of fiscal 2023, restructuring costs, net of reversals, were \$49 million and \$135 million, respectively. Restructuring costs increased \$13 million during the third quarter of fiscal 2023 and decreased \$113 million during the first nine months of fiscal 2023, respectively, as compared to the same periods of the prior fiscal year.

See Note 12 – “Restructuring Costs” for additional information about our restructuring actions.

Interest Expense and Interest Income

For the third quarter of fiscal 2023, interest expense was \$56 million and interest income was \$41 million, an increase of \$18 million and \$26 million, respectively, as compared to the same period of the prior fiscal year. The increases in interest expense and interest income against the comparative period were primarily due to the impact of rising global interest rates on our multicurrency cash pools and money market accounts.

For the first nine months of fiscal 2023, interest expense was \$137 million and interest income was \$89 million, a decrease of \$24 million and increase of \$38 million, respectively, as compared to the same period of the prior fiscal year. The decrease in interest expense against the comparative period was primarily due to a reduction in notes payable and term loans, the Company's refinancing of its high coupon debt in fiscal 2022, and decreases in interest expense from finance leases and borrowings for asset financing. Rising global interest rates on our multicurrency cash pools and money market accounts led to higher interest income against the comparative period.

Debt Extinguishment Costs

There were no debt extinguishment costs recorded for both the third quarter and first nine months of fiscal 2023.

Debt extinguishment costs were \$2 million and \$311 million for the third quarter and first nine months of fiscal 2022, respectively, for the partial and full redemption of term loans, senior notes, and extinguishment of debt associated with asset financing.

Loss (gain) on Disposition of Businesses

During the first nine months of fiscal 2023, DXC sold insignificant businesses that resulted in a loss of \$12 million.

During the first nine months of fiscal 2022, DXC sold its HPS business for approximately \$551 million, resulting in a pre-tax gain on sale of \$337 million, net of closing costs. DXC also sold certain insignificant businesses that resulted in a gain of \$49 million. This was partially offset by \$13 million in sales price adjustments related to prior year dispositions, which resulted from changes in estimated net working capital.

Other Income, Net

Other income, net comprises non-service cost components of net periodic pension income, movement in foreign currency exchange rates on our foreign currency denominated assets and liabilities and the related economic hedges, equity earnings of unconsolidated affiliates and other miscellaneous gains and losses.

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Non-service cost components of net periodic pension income	\$ (60)	\$ (87)	\$ (187)	\$ (280)
Foreign currency (gain) loss	(8)	3	(11)	10
Gain on sales of assets	(28)	(4)	(72)	(62)
Other (gain) loss	(2)	3	—	42
Total	<u>\$ (98)</u>	<u>\$ (85)</u>	<u>\$ (270)</u>	<u>\$ (290)</u>

Other income, net, increased by \$13 million and decreased by \$20 million for the third quarter and first nine months of fiscal 2023, respectively, as compared to the same periods of the prior fiscal year.

For the third quarter of fiscal 2023, the \$13 million increase against the comparative period was primarily due to \$24 million of additional gains from sales of assets, \$11 million of favorable foreign currency hedge-related gains, and a \$5 million increase in other gains, partially offset by a \$27 million decrease in the non-service cost components of net periodic pension income attributable to changes in expected returns on assets and other actuarial assumptions.

For the first nine months of fiscal 2023, the \$20 million decrease against the comparative period was primarily due to a \$93 million decrease in the non-service cost components of net periodic pension income attributable to changes in expected returns on assets and other actuarial assumptions, partially offset by a \$42 million change in other losses primarily from disposition of businesses in the comparative period, \$21 million of favorable foreign currency gains, and \$10 million of additional gains from sales of assets.

Taxes

Our effective tax rate ("ETR") was 40.2% and 38.6% for the three months ended December 31, 2022 and December 31, 2021, respectively, and 30.9% and 42.4% for the nine months ended December 31, 2022 and December 31, 2021, respectively. For the three months ended December 31, 2022, the primary drivers of the ETR were the global mix of income, U.S. tax on foreign income, a decrease in the base erosion and anti-abuse tax, and an increase in unrecognized tax benefits primarily related to foreign tax credits. For the nine months ended December 31, 2022, the primary drivers of the ETR were the global mix of income, U.S. tax on foreign income, a decrease in the base erosion and anti-abuse tax, and the tax impact of business divestitures. For the three months ended December 31, 2021, the primary drivers of the ETR were the global mix of income, an increase in unrecognized tax benefits primarily related to deductions taken in prior tax returns and tax rate changes in non-U.S. jurisdictions. For the nine months ended December 31, 2021, the primary drivers of the ETR were the global mix of income, gain on sale of HPS business, tax rate changes in non-U.S. jurisdictions and recording a valuation allowance on certain deferred tax assets in non-U.S. jurisdictions.

In the U.S., the Inflation Reduction Act ("Act") was signed into law on August 16, 2022. We do not currently expect the Act to have a material impact on our Consolidated Financial Statements.

Earnings Per Share

Diluted EPS for the third quarter and first nine months of fiscal 2023 was \$0.25 and \$0.80, respectively, a decrease of \$0.13 and increase of \$0.07, respectively, as compared to the same periods of the prior fiscal year.

For the third quarter of fiscal 2023, the decrease in diluted EPS against the comparative period was primarily due to the \$39 million decrease in net income attributable to DXC common stockholders, partially offset by the decrease in the weighted average shares of common stock outstanding. Diluted EPS for the third quarter of fiscal 2023 includes \$0.17 per share of restructuring costs, \$0.02 per share of transaction, separation and integration-related costs, \$0.34 per share of amortization of acquired intangible assets, \$0.07 per share of merger related indemnification and arbitration loss costs, \$0.03 per share of impairment losses, and \$0.07 per share of net losses on dispositions.

For the first nine months of fiscal 2023, the increase in diluted EPS against the comparative period was primarily due to the decrease in the weighted average shares of common stock outstanding. Diluted EPS for the first nine months of fiscal 2023 includes \$0.46 per share of restructuring costs, \$0.04 per share of transaction, separation and integration-related costs, \$1.04 per share of amortization of acquired intangible assets, \$0.13 per share of merger related indemnification, arbitration loss, and SEC matter costs, \$0.03 per share of impairment losses, and \$0.05 per share of net gains on dispositions.

Non-GAAP Financial Measures

We present non-GAAP financial measures of performance which are derived from the statements of operations of DXC. These non-GAAP financial measures include earnings before interest and taxes (“EBIT”), adjusted EBIT, non-GAAP income before income taxes, non-GAAP net income, non-GAAP net income attributable to DXC common stockholders, non-GAAP EPS, organic revenue growth, and constant currency revenues.

We believe EBIT, adjusted EBIT, non-GAAP income before income taxes, non-GAAP net income, non-GAAP net income attributable to DXC common stockholders, and non-GAAP EPS provide investors with useful supplemental information about our operating performance after excluding certain categories of expenses.

We believe constant currency revenues provides investors with useful supplemental information about our revenues after excluding the effect of currency exchange rate fluctuations for currencies other than U.S. Dollars in the periods presented. See below for a description of the methodology we use to present constant currency revenues.

One category of expenses excluded from adjusted EBIT, non-GAAP income before income tax, non-GAAP net income, non-GAAP net income attributable to DXC common stockholders, and non-GAAP EPS, incremental amortization of intangible assets acquired through business combinations, if included, may result in a significant difference in period over period amortization expense on a GAAP basis. We exclude amortization of certain acquired intangible assets as these non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Although DXC management excludes amortization of acquired intangible assets, primarily customer-related intangible assets, from its non-GAAP expenses, we believe that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and support revenue generation. Any future transactions may result in a change to the acquired intangible asset balances and associated amortization expense.

Another category of expenses excluded from adjusted EBIT, non-GAAP income before income tax, non-GAAP net income, non-GAAP net income attributable to DXC common stockholders, and non-GAAP EPS is impairment losses, which, if included, may result in a significant difference in period over period expense on a GAAP basis. We exclude impairment losses as these non-cash amounts reflect generally an acceleration of what would be multiple periods of expense and are not expected to occur frequently. Further, assets such as goodwill may be significantly impacted by market conditions outside of management's control.

Selected references are made to revenue growth on an “organic basis” so that certain financial results can be viewed without the impact of fluctuations in foreign currency rates and without the impacts of acquisitions and divestitures from “organic basis” financial results, thereby providing comparisons of operating performance from period to period of the business that we have owned during all periods presented. Organic revenue growth is calculated by dividing the year-over-year change in GAAP revenues attributed to organic growth by the GAAP revenues reported in the prior comparable period. This approach is used for all results where the functional currency is not the U.S. dollar. We believe organic revenue growth provides investors with useful supplemental information about our revenues after excluding the effect of currency exchange rate fluctuations for currencies other than U.S. dollars and the effects of acquisitions and divestitures in the periods presented.

There are limitations to the use of the non-GAAP financial measures presented in this report. One of the limitations is that they do not reflect complete financial results. We compensate for this limitation by providing a reconciliation between our non-GAAP financial measures and the respective most directly comparable financial measure calculated and presented in accordance with GAAP. Additionally, other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes between companies. Selected references are made on a “constant currency basis” so that certain financial results can be viewed without the impact of fluctuations in foreign currency rates, thereby providing comparisons of operating performance from period to period. Financial results on a “constant currency basis” are non-GAAP measures calculated by translating current period activity into U.S. Dollars using the comparable prior period's currency conversion rates. This approach is used for all results where the functional currency is not the U.S. Dollar. Please see “Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Revenues.”

Certain non-GAAP financial measures and the respective most directly comparable financial measures calculated and presented in accordance with GAAP include:

(in millions)	Dollar Amount				Dollar Amount			
	Three Months Ended December 31,		Change		Nine Months Ended December 31,		Change	
	2022	2021	Dollar	Percent	2022	2021	Dollar	Percent
Income before income taxes	\$ 102	\$ 166	\$ (64)	(38.6)%	\$ 278	\$ 342	\$ (64)	(18.7)%
Non-GAAP income before income taxes	\$ 294	\$ 332	\$ (38)	(11.4)%	\$ 789	\$ 923	\$ (134)	(14.5)%
Net income	\$ 61	\$ 102	\$ (41)	(40.2)%	\$ 192	\$ 197	\$ (5)	(2.5)%
Adjusted EBIT	\$ 309	\$ 355	\$ (46)	(13.0)%	\$ 837	\$ 1,033	\$ (196)	(19.0)%

Reconciliation of Non-GAAP Financial Measures

Our non-GAAP adjustments include:

- Restructuring costs – includes costs, net of reversals, related to workforce and real estate optimization and other similar charges.
- Transaction, separation and integration-related (“TSI”) costs – includes costs related to integration, planning, financing and advisory fees and other similar charges associated with mergers, acquisitions, strategic investments, joint ventures, and dispositions and other similar transactions.⁽¹⁾
- Amortization of acquired intangible assets – includes amortization of intangible assets acquired through business combinations.
- Pension and OPEB actuarial and settlement gains and losses – pension and OPEB actuarial mark to market adjustments and settlement gains and losses.
- Merger related indemnification – represents the Company’s current estimate of potential liability to HPE for indemnification on the Forsyth v. HP Inc. and HPE litigation, and the Company’s final liability to HPE on the Oracle v. HPE litigation; both obligations pursuant to HPES merger.⁽²⁾
- SEC Matter - represents the Company’s current estimate of potential liability related to a previously disclosed investigation into its historical determination and disclosure of certain “transaction, separation, and integration-related costs” as part of the Company’s non-GAAP adjustments.⁽³⁾
- Gains and losses on dispositions – gains and losses related to dispositions of businesses, strategic assets and interests in less than wholly-owned entities.⁽⁴⁾
- Arbitration loss - reflects a loss arising from an arbitration decision in the third quarter of fiscal 2023.
- Impairment losses – impairment losses on assets classified as long-term on the balance sheet.⁽⁵⁾
- Debt extinguishment costs – costs associated with early retirement, redemption, repayment or repurchase of debt and debt-like items including any breakage, make-whole premium, prepayment penalty or similar costs as well as solicitation and other legal and advisory expenses.⁽⁶⁾
- Tax adjustments – discrete tax adjustments to impair or recognize certain deferred tax assets, adjustments for changes in tax legislation and the impact of merger and divestitures. Income tax expense of all other (non-discrete) non-GAAP adjustments is based on the difference in the GAAP annual effective tax rate (AETR) and overall non-GAAP provision (consistent with the GAAP methodology).⁽⁷⁾

⁽¹⁾ TSI-Related costs include fees and other internal and external expenses associated with legal, accounting, consulting, due diligence, investment banking advisory, and other services, as well as financing fees, retention incentives, and resolution of transaction related claims in connection with, or resulting from, exploring or executing potential acquisitions, dispositions and strategic investments, whether or not announced or consummated.

The TSI-Related costs for the third quarter of fiscal 2023 include \$6 million of costs incurred in connection with activities related to acquisitions and divestitures.

The TSI-Related costs for the first nine months of fiscal 2023 include \$12 million of costs incurred in connection with activities related to acquisitions and divestitures.

The TSI-Related costs for the third quarter of fiscal 2022 include \$10 million of costs incurred in connection with activities related to acquisitions and divestitures; and \$1 million of expenses related to integration projects from the HPES merger.

The TSI-Related costs for the first nine months of fiscal 2022 include \$13 million of costs to execute the strategic alternatives; \$4 million of legal costs; a \$14 million credit towards the Peraton Arbitration settlement; \$5 million in expenses related to integration projects resulting from the HPES merger (including costs associated with continuing efforts to separate certain IT systems); and \$15 million of costs incurred in connection with activities related to other acquisitions and divestitures.

⁽²⁾ See Note 19 – “Commitments and Contingencies,” Oracle America, Inc., et al. v. Hewlett Packard Enterprise Company; and Forsyth, et al. v. HP Inc. and Hewlett Packard Enterprise.

⁽³⁾ See Note 19 – “Commitments and Contingencies,” SEC Matter.

⁽⁴⁾ *Gains and losses on dispositions for the first nine months of fiscal 2023 include a net loss of \$12 million on dispositions related to certain insignificant businesses.*

Gains and losses on dispositions for the first nine months of fiscal 2022 include a \$337 million gain on sale of the HPS business, gains of \$19 million on other dispositions partially offset by \$13 million of adjustments relating to the sale of the HHS business.

⁽⁵⁾ *Impairment losses on dispositions for the first nine months of fiscal 2023 include an \$8 million impairment charge for customer related intangible assets.*

Impairment losses on dispositions for the first nine months of fiscal 2022 include a \$10 million impairment charge of undeployed assets related to TSI-related capitalized costs.

⁽⁶⁾ *Debt extinguishment costs were \$2 million and \$311 million for the third quarter and first nine months of fiscal 2022, respectively, for the partial and full redemption of term loans, senior notes, and extinguishment of debt associated with asset financing.*

⁽⁷⁾ *Tax adjustment for the first nine months of fiscal 2022 reflects net revaluation of deferred taxes resulting from changes in non-US jurisdiction tax rates.*

A reconciliation of reported results to non-GAAP results is as follows:

(in millions, except per-share amounts)	Three Months Ended December 31, 2022								
	As Reported	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Merger Related Indemnification and Arbitration Loss	Gains and Losses on Dispositions	Impairment Losses	Non-GAAP Results	
Income before income taxes	\$ 102	\$ 49	\$ 6	\$ 100	\$ 20	\$ 9	\$ 8	\$	\$ 294
Income tax expense (benefit)	41	10	1	20	4	(7)	1		70
Net income	61	39	5	80	16	16	7		224
Less: net income attributable to non-controlling interest, net of tax	2	—	—	—	—	—	—		2
Net income attributable to DXC common stockholders	\$ 59	\$ 39	\$ 5	\$ 80	\$ 16	\$ 16	\$ 7		\$ 222
Effective Tax Rate	40.2 %								23.8 %

Basic EPS	\$ 0.26	\$ 0.17	\$ 0.02	\$ 0.35	\$ 0.07	\$ 0.07	\$ 0.03	\$	\$ 0.97
Diluted EPS	\$ 0.25	\$ 0.17	\$ 0.02	\$ 0.34	\$ 0.07	\$ 0.07	\$ 0.03	\$	\$ 0.95

Weighted average common shares outstanding for:

Basic EPS	229.54	229.54	229.54	229.54	229.54	229.54	229.54	229.54	229.54
Diluted EPS	233.00	233.00	233.00	233.00	233.00	233.00	233.00	233.00	233.00

(in millions, except per-share amounts)	Nine Months Ended December 31, 2022									
	As Reported	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Merger Related Indemnification, Arbitration Loss, and SEC Matter	Gains and Losses on Dispositions	Impairment Losses	Pension and OPEB Actuarial and Settlement Gains and Losses	Non-GAAP Results	
Income before income taxes	\$ 278	\$ 135	\$ 12	\$ 305	\$ 38	\$ 12	\$ 8	\$ 1	\$	\$ 789
Income tax expense	86	28	2	62	7	24	1	—		210
Net income (loss)	192	107	10	243	31	(12)	7	1		579
Less: net income attributable to non-controlling interest, net of tax	4	—	—	—	—	—	—	—		4
Net income (loss) attributable to DXC common stockholders	\$ 188	\$ 107	\$ 10	\$ 243	\$ 31	\$ (12)	\$ 7	\$ 1		\$ 575
Effective Tax Rate	30.9 %									26.6 %

Basic EPS	\$ 0.82	\$ 0.46	\$ 0.04	\$ 1.05	\$ 0.13	\$ (0.05)	\$ 0.03	\$ 0.00	\$	\$ 2.49
Diluted EPS	\$ 0.80	\$ 0.46	\$ 0.04	\$ 1.04	\$ 0.13	\$ (0.05)	\$ 0.03	\$ 0.00	\$	\$ 2.45

Weighted average common shares outstanding for:

Basic EPS	230.65	230.65	230.65	230.65	230.65	230.65	230.65	230.65	230.65
Diluted EPS	234.38	234.38	234.38	234.38	234.38	234.38	234.38	234.38	234.38

Three Months Ended December 31, 2021

(in millions, except per-share amounts)	As Reported	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Gains and Losses on Dispositions	Debt Extinguishment Costs	Pension and OPEB Actuarial and Settlement Losses	Tax Adjustment	Non-GAAP Results
Income before income taxes	\$ 166	\$ 36	\$ 11	\$ 106	\$ 4	2	7		\$ 332
Income tax expense	64	4	1	13	—	—	1	10	93
Net income	102	32	10	93	4	2	6	(10)	239
Less: net income attributable to non-controlling interest, net of tax	4	—	—	—	—	—	—	—	4
Net income attributable to DXC common stockholders	\$ 98	\$ 32	\$ 10	\$ 93	\$ 4	\$ 2	\$ 6	\$ (10)	\$ 235
Effective Tax Rate	38.6 %								28.0 %
Basic EPS	\$ 0.39	\$ 0.13	\$ 0.04	\$ 0.37	\$ 0.02	\$ 0.01	\$ 0.02	\$ (0.04)	\$ 0.94
Diluted EPS	\$ 0.38	\$ 0.13	\$ 0.04	\$ 0.36	\$ 0.02	\$ 0.01	\$ 0.02	\$ (0.04)	\$ 0.92
Weighted average common shares outstanding for:									
Basic EPS	250.27	250.27	250.27	250.27	250.27	250.27	250.27	250.27	250.27
Diluted EPS	254.82	254.82	254.82	254.82	254.82	254.82	254.82	254.82	254.82

Nine Months Ended December 31, 2021

(in millions, except per-share amounts)	As Reported	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Gains and Losses on Dispositions	Impairment Losses	Debt Extinguishment Costs	Pension and OPEB Actuarial and Settlement Losses	Tax Adjustment	Non-GAAP Results
Income before income taxes	\$ 342	\$ 248	\$ 23	\$ 325	\$ (343)	\$ 10	\$ 311	\$ 7	—	\$ 923
Income tax expense	145	48	6	63	(91)	2	73	1	(18)	229
Net income	197	200	17	262	(252)	8	238	6	18	694
Less: net income attributable to non-controlling interest, net of tax	9	—	—	—	—	—	—	—	—	9
Net income attributable to DXC common stockholders	\$ 188	\$ 200	\$ 17	\$ 262	\$ (252)	\$ 8	\$ 238	\$ 6	\$ 18	\$ 685
Effective Tax Rate	42.4 %									24.8 %
Basic EPS	\$ 0.74	\$ 0.79	\$ 0.07	\$ 1.04	\$ (1.00)	\$ 0.03	\$ 0.94	\$ 0.02	\$ 0.07	\$ 2.71
Diluted EPS	\$ 0.73	\$ 0.78	\$ 0.07	\$ 1.02	\$ (0.98)	\$ 0.03	\$ 0.92	\$ 0.02	\$ 0.07	\$ 2.66
Weighted average common shares outstanding for:										
Basic EPS	252.44	252.44	252.44	252.44	252.44	252.44	252.44	252.44	252.44	252.44
Diluted EPS	257.59	257.59	257.59	257.59	257.59	257.59	257.59	257.59	257.59	257.59

Reconciliations of revenue growth to organic revenue growth are as follows:

	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Total revenue growth	(12.8)%	(4.6)%	(11.6)%	(8.1)%
Foreign currency	6.6 %	1.0 %	6.6 %	(2.1)%
Acquisitions and divestitures	2.4 %	2.2 %	2.4 %	7.6 %
Organic revenue growth	(3.8)%	(1.4)%	(2.6)%	(2.6)%
GBS revenue growth	(10.7)%	1.3 %	(8.7)%	(10.0)%
Foreign currency	6.4 %	1.3 %	6.6 %	(1.5)%
Acquisitions and divestitures	4.5 %	4.4 %	4.2 %	15.5 %
GBS organic revenue growth	0.2 %	7.0 %	2.1 %	4.0 %
GIS revenue growth	(14.7)%	(9.5)%	(14.1)%	(6.5)%
Foreign currency	6.7 %	0.9 %	6.7 %	(2.5)%
Acquisitions and divestitures	0.6 %	0.3 %	0.6 %	0.5 %
GIS organic revenue growth	(7.4)%	(8.3)%	(6.8)%	(8.5)%

Reconciliations of net income to adjusted EBIT are as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net income	\$ 61	\$ 102	\$ 192	\$ 197
Income tax expense	41	64	86	145
Interest income	(41)	(15)	(89)	(51)
Interest expense	56	38	137	161
EBIT	117	189	326	452
Restructuring costs	49	36	135	248
Transaction, separation and integration-related costs	6	11	12	23
Amortization of acquired intangible assets	100	106	305	325
Merger related indemnification	11	—	21	—
SEC Matter	—	—	8	—
Losses (gains) on dispositions	9	4	12	(343)
Arbitration loss	9	—	9	—
Impairment losses	8	—	8	10
Debt extinguishment costs	—	2	—	311
Pension and OPEB actuarial and settlement losses	—	7	1	7
Adjusted EBIT	\$ 309	\$ 355	\$ 837	\$ 1,033

Liquidity and Capital Resources

Cash and Cash Equivalents and Cash Flows

As of December 31, 2022, our cash and cash equivalents (“cash”) were \$2.1 billion, of which \$0.6 billion was held outside of the U.S. As of March 31, 2022, our cash was \$2.7 billion, of which \$1.3 billion was held outside of the U.S. We maintain various multi-currency, multi-entity, cross-border, physical and notional cash pool arrangements with various counterparties to manage liquidity efficiently that enable participating subsidiaries to draw on the Company’s pooled resources to meet liquidity needs.

A significant portion of the cash held by our foreign subsidiaries is not expected to be impacted by U.S. federal income tax upon repatriation. However, a portion of this cash may still be subject to foreign and U.S. state income tax consequences upon future remittance. Therefore, if additional funds held outside the U.S. are needed for our operations in the U.S., we plan to repatriate these funds not designated as indefinitely reinvested.

We have \$0.1 billion in cash held by foreign subsidiaries used for local operations that is subject to country-specific limitations which may restrict or result in increased costs in the repatriation of these funds. In addition, other practical considerations may limit our use of consolidated cash. This includes cash of \$0.2 billion held by majority owned consolidated subsidiaries where third-parties or public shareholders hold minority interests.

The following table summarizes our cash flow activity:

(in millions)	Nine Months Ended		Change
	December 31, 2022	December 31, 2021	
Net cash provided by (used in):			
Operating activities	\$ 1,000	\$ 1,230	\$ (230)
Investing activities	(299)	93	(392)
Financing activities	(693)	(1,460)	767
Effect of exchange rate changes on cash and cash equivalents	(95)	25	(120)
Cash classified within current assets held for sale	(494)	63	(557)
Net decrease in cash and cash equivalents	\$ (581)	\$ (49)	\$ (532)
Cash and cash equivalents at beginning of year	2,672	2,968	
Cash and cash equivalents at the end of period	<u>\$ 2,091</u>	<u>\$ 2,919</u>	

Operating cash flow

Net cash provided by operating activities during the first nine months of fiscal 2023 was \$1,000 million as compared to \$1,230 million during the comparable period of the prior fiscal year. The decrease of \$230 million was primarily due to a decrease in net income, net of adjustments of \$242 million, partially offset by a \$12 million favorable change in working capital due to lower working capital outflows during the first nine months of fiscal 2023.

The following table contains certain key working capital metrics:

	Three Months Ended	
	December 31, 2022	December 31, 2021
Days of sales outstanding in accounts receivable	69	65
Days of purchases outstanding in accounts payable	(54)	(40)
Cash conversion cycle	<u>15</u>	<u>25</u>

Investing cash flow

Net cash (used in) provided by investing activities during the first nine months of fiscal 2023 was \$(299) million as compared to \$93 million during the comparable period of the prior fiscal year. The change of \$392 million was primarily due to a decrease in cash from business dispositions of \$467 million and proceeds from short-term investing of \$24 million incurred only in the comparable period of fiscal 2022. This was partially offset by an increase in proceeds from sale of assets of \$70 million and a decrease in capital expenditures of \$48 million.

Financing cash flow

Net cash used in financing activities during the first nine months of fiscal 2023 was \$693 million as compared to \$1,460 million during the comparable period of the prior fiscal year. The \$767 million decrease was primarily due to a decrease in payments on capital leases and borrowings for asset financing of \$456 million, payments for debt extinguishment cost of \$344 million incurred only in the comparable period of fiscal 2022, an increase in commercial paper borrowings, net of repayments of \$32 million, and a decrease in share repurchases of \$27 million. This was partially offset by borrowings on long term debt, net of repayments of \$65 million incurred only in the comparable period of fiscal 2022.

Cash classified within current assets held for sale

As of December 31, 2022, \$0.5 billion of cash related to the FDB Business was reclassified as assets held for sale. The FDB Business was subsequently sold on January 3, 2023. See Note 2 – “Divestitures” for more information.

Capital Resources

See Note 19 – “Commitments and Contingencies” for disclosure of certain commitments. The anticipated sources of funds to fulfill such commitments are listed below and under the “Liquidity” subheading.

The following table summarizes our total debt:

(in millions)	As of	
	December 31, 2022	March 31, 2022
Short-term debt and current maturities of long-term debt	\$ 873	\$ 900
Long-term debt, net of current maturities	3,850	4,065
Total debt	\$ 4,723	\$ 4,965

For the first nine months of fiscal 2023, approximately 60% of our total debt balance was denominated in foreign currencies. In fiscal 2023, the \$0.2 billion decrease in total debt was primarily due to a favorable foreign currency exchange rate impact and decreases in finance lease liabilities and borrowings for asset financing, partially offset by an increase in commercial paper borrowings.

We were in compliance with all financial covenants associated with our borrowings as of December 31, 2022 and December 31, 2021.

Our credit ratings are as follows:

Rating Agency	Long Term Ratings	Short Term Ratings	Outlook
Fitch	BBB	F-2	Stable
Moody's	Baa2	P-2	Stable
S&P	BBB-	-	Stable

For information on the risks of ratings downgrades, see Part I, Item 1A “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

Liquidity

We expect our existing cash and cash equivalents, together with cash generated from operations, will be sufficient to meet our normal operating requirements for the next 12 months. We expect to continue using cash generated by operations as a primary source of liquidity; however, should we require funds greater than that generated from our operations to fund discretionary investment activities, such as business acquisitions, we have the ability to raise capital through borrowing under our revolving credit facility, issuance of capital market debt instruments such as commercial paper, term loans, and bonds. In addition, we currently utilize, and will further utilize our cross-currency cash pool for liquidity needs. However, there is no guarantee that we will be able to obtain debt financing, if required, on terms and conditions acceptable to us, if at all, in the future.

Our exposure to operational liquidity risk is primarily from long-term contracts which require significant investment of cash during the initial phases of the contracts. The recovery of these investments is over the life of the contracts and is dependent upon our performance as well as customer acceptance.

Our total liquidity of \$5.6 billion as of December 31, 2022, includes \$2.1 billion of cash and cash equivalents, \$3.0 billion of available borrowings under our revolving credit facility, and \$500 million of available borrowings under our term loan credit agreement.

Share Repurchases

See Note 15 – “Stockholders’ Equity”

Dividends

To maintain our financial flexibility, we continue to suspend payment of quarterly dividends for fiscal 2023.

Off-Balance Sheet Arrangements

In the normal course of business, we are party to arrangements that include guarantees, the receivables securitization facility and certain other financial instruments with off-balance sheet risk, such as letters of credit and surety bonds. We also use performance letters of credit to support various risk management insurance policies. No liabilities related to these arrangements are reflected in our condensed consolidated balance sheets. There have been no material changes to our off-balance-sheet arrangements reported under Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022, other than as disclosed in Note 4 – “Receivables” and Note 19 – “Commitments and Contingencies”.

Contractual Obligations

There have been no material changes, outside the ordinary course of business, to our contractual obligations since March 31, 2022. For further information see “Contractual Obligations” in Item 7 of Part II of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

For our minimum purchase commitments as of December 31, 2022, in connection with our long-term purchase agreements with certain software, hardware, telecommunication, and other service providers, see Note 19 – “Commitments and Contingencies.”

Critical Accounting Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. These estimates may change in the future if underlying assumptions or factors change. Accordingly, actual results could differ materially from our estimates under different assumptions, judgments or conditions. We consider the following policies to be critical because of their complexity and the high degree of judgment involved in implementing them: revenue recognition, income taxes, business combinations, defined benefit plans and valuation of assets. We have discussed the selection of our critical accounting policies and the effect of estimates with the audit committee of our board of directors. During the three months ended December 31, 2022, there were no changes to our critical accounting policies and estimates from those described in our fiscal 2022 Annual Report on Form 10-K except as mentioned in Note 1 – “Summary of Significant Accounting Policies.”

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For quantitative and qualitative disclosures about market risk affecting DXC, see “Quantitative and Qualitative Disclosures About Market Risk” in Item 7A of Part II of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022. Our exposure to market risk has not changed materially since March 31, 2022.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2022.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

See Note 19 – “Commitments and Contingencies” to the financial statements under the caption “Contingencies” for information regarding legal proceedings in which we are involved.

ITEM 1A. RISK FACTORS

Our operations and financial results are subject to various risks and uncertainties, which may materially and adversely affect our business, financial condition, and results of operations, and the actual outcome of matters as to which forward-looking statements are made in this Quarterly Report on Form 10-Q. In such case, the trading price for DXC common stock could decline, and you could lose all or part of your investment. Past performance may not be a reliable indicator of future financial performance and historical trends should not be used to anticipate results or trends in future periods. Future performance and historical trends may be adversely affected by the aforementioned risks, and other variables and risks and uncertainties not currently known or that are currently expected to be immaterial may also materially and adversely affect our business, financial condition, and results of operations or the price of our common stock in the future. There have been no material changes to the risk factors described in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None during the period covered by this report.

Use of Proceeds

Not applicable.

Issuer Purchases of Equity Securities

The following table provides information on a monthly basis for the quarter ended December 31, 2022, with respect to the Company's purchase of equity securities:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs
October 1, 2022 to October 31, 2022	—	\$—	—	\$887,691,440
November 1, 2022 to November 30, 2022	587,898	\$28.90	587,898	\$870,701,986
December 1, 2022 to December 31, 2022	1,475,747	\$26.82	1,475,747	\$831,128,011

On April 3, 2017, DXC announced the establishment of a share repurchase plan approved by the Board of Directors with an initial authorization of \$2.0 billion for future repurchases of outstanding shares of DXC common stock. On November 8, 2018, DXC's Board of Directors approved an incremental \$2.0 billion share repurchase. An expiration date has not been established for this repurchase plan. On February 2, 2022, we announced our intention to repurchase incrementally up to \$1.0 billion of our outstanding shares of common stock in the open market. An expiration date has not been established for this repurchase plan.

Share repurchases may be made from time to time through various means, including in open market purchases, 10b5-1 plans, privately-negotiated transactions, accelerated stock repurchases, block trades and other transactions, in compliance with Rule 10b-18 under the Exchange Act, as well as, to the extent applicable, other federal and state securities laws and other legal requirements. The timing, volume, and nature of share repurchases pursuant to the share repurchase plan are at the discretion of management and may be suspended or discontinued at any time.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
3.2	Amended and Restated Bylaws of DXC Technology Company, effective November 3, 2022 (incorporated by reference to Exhibit 3.2. to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (filed November 4, 2022) (file no. 001-38033))
10.1*	Fourteenth Amendment to the Receivables Purchase Agreement dated as of December 21, 2022, among DXC Receivables LLC (f/k/a CSC Receivables LLC), as Seller, DXC Technology Company, as Servicer, PNC Bank, National Association, as Administrative Agent, and the persons from time to time party thereto as Purchasers and Group Agents
31.1*	Section 302 Certification of the Chief Executive Officer
31.2*	Section 302 Certification of the Chief Financial Officer
32.1**	Section 906 Certification of Chief Executive Officer
32.2**	Section 906 Certification of Chief Financial Officer
101.INS	Interactive Data Files
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation
101.LAB	XBRL Taxonomy Extension Labels
101.PRE	XBRL Taxonomy Extension Presentation
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith

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.

DXC TECHNOLOGY COMPANY

Dated: February 1, 2023

By: /s/ Christopher A. Voci

Name: **Christopher A. Voci**

Title: **Senior Vice President, Corporate Controller and
Principal Accounting Officer**

**FOURTEENTH AMENDMENT TO THE
RECEIVABLES PURCHASE AGREEMENT**

This FOURTEENTH AMENDMENT TO THE RECEIVABLES PURCHASE AGREEMENT (this “Amendment”), dated as of December 21, 2022, is entered into by and among the following parties:

- (i) DXC RECEIVABLES LLC (F/K/A CSC RECEIVABLES LLC), a Delaware limited liability company, as Seller (the “Seller”);
- (ii) DXC TECHNOLOGY COMPANY, a Nevada corporation, as Servicer (the “Servicer”);
- (iii) PNC BANK, NATIONAL ASSOCIATION (“PNC”), as a Committed Purchaser, as Group Agent for its Purchaser Group and as Administrative Agent (in such capacity, the “Administrative Agent”);
- (iv) WELLS FARGO BANK, NATIONAL ASSOCIATION (“Wells Fargo”), as a Committed Purchaser and as Group Agent for its Purchaser Group;
- (v) MUFG BANK, LTD. (F/K/A THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.) (“MUFG”), as a Committed Purchaser and as Group Agent for its Purchaser Group;
- (vi) GOTHAM FUNDING CORPORATION (“Gotham”), as a Conduit Purchaser in the MUFG’s Purchaser Group;
- (vii) THE BANK OF NOVA SCOTIA (“BNS”), as a Committed Purchaser and as Group Agent for its Purchaser Group;
- (viii) MIZUHO BANK, LTD. (“Mizuho”), as a Committed Purchaser and as Group Agent for its Purchaser Group; and
- (ix) THE TORONTO DOMINION BANK (“TD Bank”), as a Committed Purchaser and as Group Agent for its Purchaser Group.

Capitalized terms used but not otherwise defined herein (including such terms used above) have the respective meanings assigned thereto in the Receivables Purchase Agreement described below.

BACKGROUND

A. The parties hereto have entered into a Receivables Purchase Agreement, dated as of December 21, 2016 (as amended, restated, supplemented or otherwise modified through the date hereof, the “Receivables Purchase Agreement”).

B. Concurrently herewith, the parties hereto and PNC Capital Markets LLC, as Structuring Agent, are entering into that certain Tenth Amended and Restated Fee Letter, dated as of the date hereof, (the “Amended Fee Letter”).

The parties hereto desire to amend the Receivables Purchase Agreement as set forth herein.

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

SECTION 1. Amendments to the Receivables Purchase Agreement. The Receivables Purchase Agreement is hereby amended as shown on the marked pages of the Receivables Purchase Agreement attached hereto as Exhibit A.

SECTION 2. Representations and Warranties of the Seller and Servicer. Each of the Seller and the Servicer hereby represents and warrants, as to itself, to the Administrative Agent, each Purchaser and each Group Agent, as follows:

(a) *Representations and Warranties*. Immediately after giving effect to this Amendment, the representations and warranties made by such Person in the Transaction Documents to which it is a party are true and correct as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations or warranties were true and correct as of such earlier date).

(b) *Enforceability*. This Amendment and each other Transaction Document to which it is a party, as amended hereby, constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(c) *No Termination Event*. No event has occurred and is continuing, or would result from the transactions contemplated hereby, that constitutes an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event.

SECTION 3. Effect of Amendment. All provisions of the Receivables Purchase Agreement and the other Transaction Documents, as expressly amended and modified by this Amendment, shall remain in full force and effect. After this Amendment becomes effective, all references in the Receivables Purchase Agreement (or in any other Transaction Document) to "this Receivables Purchase Agreement", "this Agreement", "hereof", "herein" or words of similar effect referring to the Receivables Purchase Agreement shall be deemed to be references to the Receivables Purchase Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Receivables Purchase Agreement other than as set forth herein.

SECTION 4. 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 to this Amendment duly executed by each of the parties hereto.

(b) Execution of Amended Fee Letter. The Administrative Agent shall have received counterparts of the Amended Fee Letter duly executed by each of the parties thereto.

(c) Receipt of Closing Fee. The Administrative Agent shall have received confirmation that the "Closing Fees" set forth in the Amended Fee Letter have been paid in accordance with the terms thereof.

SECTION 5. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute but one

and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or e-mail transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 6. GOVERNING LAW. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF).

SECTION 7. Severability. If any one or more of the agreements, provisions or terms of this Amendment shall for any reason whatsoever be held invalid or unenforceable, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions and terms of this Amendment and shall in no way affect the validity or enforceability of the provisions of this Amendment or the Receivables Purchase Agreement.

SECTION 8. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Receivables Purchase Agreement or any provision hereof or thereof.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their duly authorized officers as of the date first above written.

DXC RECEIVABLES LLC,
as Seller

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: President, Secretary and Treasurer

DXC TECHNOLOGY COMPANY,
as Servicer

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President and Treasurer

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

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

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

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

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

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

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

WELLS FARGO, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Ryan Tozier
Name: Ryan Tozier
Title: Managing Director

WELLS FARGO, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

By: /s/ Ryan Tozier
Name: Ryan Tozier
Title: Managing Director

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

MUFG BANK, LTD.,
as a Committed Purchaser

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

GOTHAM FUNDING CORPORATION,
as a Conduit Purchaser

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

MUFG BANK, LTD.,
as Group Agent for its Purchaser Group

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

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

THE BANK OF NOVA SCOTIA,
as a Committed Purchaser

By: /s/ Doug Noe
Name: Doug Noe
Title: Managing Director

THE BANK OF NOVA SCOTIA,
as Group Agent for its Purchaser Group

By: /s/ Doug Noe
Name: Doug Noe
Title: Managing Director

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

MIZUHO BANK, LTD.,
as a Committed Purchaser

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

MIZUHO BANK, LTD.,
as Group Agent for its Purchaser Group

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

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

THE TORONTO DOMINION BANK,
as a Committed Purchaser

By: /s/ Luna Mills _____
Name: Luna Mills
Title: Managing Director

THE TORONTO DOMINION BANK,
as Group Agent for its Purchaser Group

By: /s/ Luna Mills _____
Name: Luna Mills
Title: Managing Director

*Fourteenth Amendment to the
Receivables Purchase Agreement
(DXC Receivables LLC)*

Exhibit A
Amendments to the Receivables Purchase Agreement
[Attached]

Exhibit A

EXHIBIT A to Fourteenth Amendment, dated as of December 21, 2022
Conformed through Thirteenth Amendment, dated as of September 1, 2022
Conformed through Twelfth Amendment, dated as of July 29, 2022
Conformed through Eleventh Amendment, dated as of July 30, 2021
Conformed through Tenth Amendment, dated as of August 6, 2020
Conformed through Ninth Amendment, dated as of May 29, 2020
Conformed through Eighth Amendment, dated as of February 18, 2020
Conformed through Seventh Amendment, dated as of November 22, 2019
Conformed through Sixth Amendment, dated as of August 21, 2019
Conformed through the Fifth Amendment, dated as of June 25, 2019
Conformed through the Fourth Amendment, dated as of September 24, 2018
Conformed through the Third Amendment, dated as of August 22, 2018
Conformed through Second Amendment, dated as of September 15, 2017
Conformed through First Amendment, dated as of January 24, 2017

EXHIBIT A to Fourteenth Amendment, dated as of December 21, 2022
Conformed through Thirteenth Amendment, dated as of September 1, 2022
Conformed through Twelfth Amendment, dated as of July 29, 2022
Conformed through Eleventh Amendment, dated as of July 30, 2021
Conformed through Tenth Amendment, dated as of August 6, 2020
Conformed through Ninth Amendment, dated as of May 29, 2020
Conformed through Eighth Amendment, dated as of February 18, 2020
Conformed through Seventh Amendment, dated as of November 22, 2019
Conformed through Sixth Amendment, dated as of August 21, 2019
Conformed through the Fifth Amendment, dated as of June 25, 2019
Conformed through the Fourth Amendment, dated as of September 24, 2018
Conformed through the Third Amendment, dated as of August 22, 2018
Conformed through Second Amendment, dated as of September 15, 2017
Conformed through First Amendment, dated as of January 24, 2017

RECEIVABLES PURCHASE AGREEMENT

Dated as of December 21, 2016

by and among

DXC RECEIVABLES LLC,

as Seller,

THE PERSONS FROM TIME TO TIME PARTY HERETO,

as Purchasers and as Group Agents,

PNC BANK, NATIONAL ASSOCIATION,

as Administrative Agent,

DXC TECHNOLOGY COMPANY,

as Servicer,

and

PNC CAPITAL MARKETS LLC,

as Structuring Agent

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This RECEIVABLES PURCHASE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this “Agreement”) is entered into as of December 21, 2016 by and among the following parties:

- (i) DXC RECEIVABLES LLC, a Delaware limited liability company, as Seller (together with its successors and assigns, the “Seller”);
- (ii) the Persons from time to time party hereto as Purchasers and as Group Agents;
- (iii) PNC BANK, NATIONAL ASSOCIATION (“PNC”), as Administrative Agent;
- (iv) DXC TECHNOLOGY COMPANY, a Nevada corporation, in its individual capacity (“DXC”) and as Servicer (in such capacity, together with its successors and assigns in such capacity, the “Servicer”); and
- (v) PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent.

PRELIMINARY STATEMENTS

The Seller has acquired, and will acquire from time to time, Receivables from the Originator(s) pursuant to the Purchase and Sale Agreement. The Seller desires to sell the Receivables to the Purchasers and, in connection therewith, has requested that the Purchasers make Investments from time to time, on the terms, and subject to the conditions, set forth herein.

In consideration of the mutual agreements, provisions and covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

DEFINITIONS

Section 1.01 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Account Control Agreement” means each agreement, in form and substance satisfactory to the Administrative Agent, among the Seller, the Servicer (if applicable), the Administrative Agent and a Blocked Account Bank, governing the terms of the related Blocked Accounts, that (i) provides the Administrative Agent with control within the meaning of the UCC over the deposit accounts subject to such agreement and (ii) by its terms, may not be terminated or canceled by the related Blocked Account Bank without the written consent of the Administrative Agent or upon no less than thirty (30) days prior written notice to the Administrative Agent.

“Adjusted Net Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of Eligible Receivables then in the Receivables Pool, minus (b) the Excess Concentration.

“Administrative Agent” means PNC, in its capacity as contractual representative for the Purchaser Parties, and any successor thereto in such capacity appointed pursuant to Article XI or Section 14.03(g).

“Adverse Claim” means any ownership interest or claim, mortgage, deed of trust, pledge, lien, security interest, hypothecation, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including, but not limited to, any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing); it being understood that any of the foregoing in favor of, or assigned to, the Administrative Agent (for the benefit of the Secured Parties) shall not constitute an Adverse Claim.

“Advisors” has the meaning set forth in Section 14.06(c).

“Affected Person” means each Purchaser Party, each Program Support Provider, each Liquidity Agent and each of their respective Affiliates.

“Affiliate” means, as to any Person: (a), any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or (b) who is a director or officer: (i) of such Person or (ii) of any Person described in clause (a), except that, in the case of each Conduit Purchaser, Affiliate shall mean the holder(s) of its Capital Stock or membership interests, as the case may be. For purposes of this definition, control of a Person shall mean the power, direct or indirect: (x) to vote 25% or more of the securities having ordinary voting power for the election of directors or managers of such Person or (y) to direct or cause the direction of the management and policies of such Person, in either case whether by ownership of securities, contract, proxy or otherwise.

“Aggregate Capital” means, at any time of determination, the aggregate outstanding Capital of all Purchasers at such time.

“Aggregate Yield” means, at any time of determination, the aggregate accrued and unpaid Yield on the aggregate outstanding Capital of all Purchasers at such time.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Anti-Corruption Laws” means all laws, rules and regulations of any jurisdiction applicable to Parent or its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Law” means, with respect to any Person, (x) all provisions of law, statute, treaty, constitution, ordinance, rule, regulation, requirement, restriction, permit, executive order, certificate, decision, directive or order of any Governmental Authority applicable to such Person or any of its property and (y) all judgments, injunctions, orders, writs, decrees and awards of all courts and arbitrators in proceedings or actions in which such Person is a party or by which any of its property is bound. For the avoidance of doubt, FATCA shall constitute an “Applicable Law” for all purposes of this Agreement.

“Assignment and Acceptance Agreement” means an assignment and acceptance agreement entered into by a Committed Purchaser, an Eligible Assignee, such Committed Purchaser’s Group Agent and the Administrative Agent, and, if required, the Seller, pursuant to which such Eligible Assignee may become a party to this Agreement, in substantially the form of Exhibit C hereto.

“Assumption Agreement” has the meaning set forth in Section 14.03(i).

“Attorney Costs” means and includes all reasonable and documented fees, costs, expenses and disbursements of any law firm or other external counsel.

“Bankruptcy Code” means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, et seq.), as amended from time to time.

“Base Rate” means, for any day and any Purchaser, a fluctuating interest rate per annum as shall be in effect from time to time, which rate shall be at all times equal to the highest of:

- (a) the rate of interest in effect for such day as publicly announced from time to time by the applicable Group Agent or its Affiliate as its “reference rate” or “prime rate”, as applicable. Such “reference rate” or “prime rate” is set by the applicable Group Agent or its Affiliate based upon various factors, including such Person’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate, and is not necessarily the lowest rate charged to any customer;
- (b) 0.50% per annum above the Overnight Bank Funding Rate for such day; and
- (c) Daily Simple SOFR plus 1.00%, so long as Daily Simple SOFR is offered, ascertainable and not unlawful.

“Beneficial Ownership Rule” means 31 C.F.R. § 1010.230.

“Blocked Account” means each account listed on Schedule II-B to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Blocked Account in accordance with the terms hereof) (in each case, in the name of the Seller) and maintained at a bank or other financial institution acting as a Blocked Account Bank pursuant to an Account Control Agreement for the purpose of receiving Collections, including from Collection Account Banks.

“Blocked Account Bank” means any of the banks or other financial institutions holding one or more Blocked Accounts.

“Breakage Fee” means (i) for any Yield Period for which Yield is computed by reference to the Term SOFR Rate and a reduction of Capital is made for any reason on any day other than a Settlement Date or (ii) to the extent that the Seller shall for any reason, fail to borrow on the date specified by the Seller in connection with any request for funding pursuant to Article II of this Agreement, the amount, if any, by which (A) the additional Yield (calculated without taking into account any Breakage Fee or any shortened duration of such Yield Period pursuant to the definition thereof) which would have accrued during such Yield Period (or, in the case of clause (i) above, until the maturity of the underlying Note issued by a Conduit Purchaser to fund any portion of such Capital being reduced) on the reductions of Capital relating to such Yield Period had such reductions not been made (or, in the case of clause (ii) above, the amounts so failed to be borrowed or accepted in connection with any such request for funding by the Seller), exceeds (B) the income, if any, received by the applicable Purchaser from the investment of the proceeds of such reductions of Capital (or such amounts failed to be borrowed by the Seller). A certificate as to the amount of any Breakage Fee (including the computation of such amount) shall be submitted by the affected Purchaser (or applicable Group Agent on its behalf) to the Seller and shall be conclusive and binding for all purposes, absent manifest error.

“Business Day” means any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Pittsburgh, Pennsylvania; provided that, for purposes of any direct or indirect calculation or determination involving SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“Capital” means, with respect to any Purchaser, the aggregate amounts paid to, or on behalf of, the Seller in connection with all Investments made by such Purchaser pursuant to Article II, as reduced from time to time by Collections distributed and applied on account of reducing, returning or repaying such Capital pursuant to Section 2.02(d) or Section 4.01; provided, that if such Capital shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

“Capital Coverage Amount” means, at any time of determination, the amount equal to (a) the Net Receivables Pool Balance at such time minus (b) the Total Reserves at such time.

“Capital Coverage Deficit” means, at any time of determination, the amount, if any, by which (a) the Aggregate Capital at such time exceeds (b) the Capital Coverage Amount at such time.

“Capital Stock” means, with respect to any Person, any and all common shares, preferred shares, interests, participations, rights in or other equivalents (however designated) of such Person’s capital stock, partnership interests, limited liability company interests, membership interests or other equivalent interests and any rights (other than debt securities convertible into or exchangeable for capital stock), warrants or options exchangeable for or convertible into such capital stock or other equity interests.

“Change in Control” means the occurrence of any of the following:

(a) DXC Technology Services LLC ceases to own, directly, 100% of the issued and outstanding Capital Stock of the Seller free and clear of all Adverse Claims;

(b) Parent ceases to own, directly or indirectly, 100% of the issued and outstanding Capital Stock of any Originator free and clear of all Adverse Claims;

(c) any Subordinated Note shall at any time cease to be owned by an Originator, free and clear of all Adverse Claims; or

(d) with respect to Parent, the acquisition by any Person or two or more Persons acting in concert of beneficial ownership (within the meaning of Rule 13d-3 of the SEC under the Securities Exchange Act of 1934, as amended), directly or indirectly, of securities of Parent (or other securities convertible into such securities) representing 35% or more of the combined voting power of all securities of Parent entitled to vote in the election of directors, other than securities having such power only by reason of the happening of a contingency; provided that if Parent shall become a wholly owned Subsidiary of a publicly owned Person whose beneficial ownership is, immediately after Parent shall become such a wholly owned subsidiary of such Person, substantially identical to that of Parent immediately prior to such circumstance (a “Holding Company”), such circumstance shall not be a Change in Control as defined herein unless the beneficial ownership of such Holding Company shall be acquired as set forth in this clause (d).

“Change in Law” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (w) the final rule titled *Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital*;

Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues, adopted by the United States bank regulatory agencies on December 15, 2009, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to the agreements reached by the Basel Committee on Banking Supervision in “Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems” (as amended, supplemented or otherwise modified or replaced from time to time), shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” means December 21, 2016.

“Code” means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

“Collection Account” means each account listed on Schedule II-A to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Collection Account in accordance with the terms hereof) (in each case, in the name of the applicable Originator identified on Schedule II-A) and maintained at a bank or other financial institution acting as a Collection Account Bank for the purpose of receiving Collections.

“Collection Account Bank” means any of the banks or other financial institutions holding one or more Collection Accounts.

“Collections” means, with respect to any Pool Receivable: (a) all funds that are received by any Originator, the Seller, the Servicer or any other Person on their behalf in payment of any amounts owed in respect of such Pool Receivable (including purchase price for goods or services under the related Contract, finance charges, interest and all other charges), or applied to amounts owed in respect of such Pool Receivable (including insurance payments and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Obligor or any other Person directly or indirectly liable for the payment of such Pool Receivable and available to be applied thereon), (b) all Deemed Collections, (c) all proceeds of all Related Security with respect to such Pool Receivable and (d) all other proceeds of such Pool Receivable.

“Commitment” means, with respect to any Committed Purchaser (including a Related Committed Purchaser), the maximum aggregate amount of Capital which such Person is obligated to pay hereunder on account of all Investments, on a combined basis, as set forth on Schedule I or in the Assumption Agreement or other agreement pursuant to which it became a Purchaser, as such amount may be modified in connection with any subsequent assignment pursuant to Section 14.03 or in connection with a reduction in the Facility Limit pursuant to Section 2.02(e). If the context so requires, “Commitment” also refers to a Committed Purchaser’s obligation to fund Investments hereunder in accordance with this Agreement.

“Committed Purchasers” means PNC and each other Person that is or becomes a party to this Agreement in the capacity of a “Committed Purchaser”.

“Concentration Percentage” means (i) for any Group A Obligor, 15.00%, (ii) for any Group B Obligor, 12.50%, (iii) for any Group C Obligor, 7.50%, (iv) for the Group D Obligor (together with its Affiliates) with the largest Obligor Percentage of all Group D Obligors, 7.00% and (v) for any other Group D Obligor, 4.00%.

“Concentration Reserve Percentage” means the largest of: (a) the sum of the four (4) largest Obligor Percentages of the Group D Obligors, (b) the sum of the two (2) largest Obligor

Percentages of the Group C Obligors and (c) the largest Obligor Percentage of the Group B Obligors.

“Conduit Purchaser” means each commercial paper conduit that is or becomes a party to this Agreement in the capacity of a “Conduit Purchaser”.

“Conforming Changes” means, with respect to Daily 1M SOFR, the Term SOFR Rate or any Benchmark Replacement in relation thereto, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “Yield Period,” the definition of “U.S. Government Securities Business Day,” timing and frequency of determining rates and the timing of making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, and other technical, administrative or operational matters) that the Administrative Agent, in consultation with the Seller, decides may be appropriate to reflect the adoption and implementation of Daily 1M SOFR, the Term SOFR Rate or such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of Daily 1M SOFR the Term SOFR Rate or the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

“Contract” means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings (including an agreement evidenced by a purchase order or similar document) pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

“Controlled Group” means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with Parent or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

“CP Rate” means, for any Conduit Purchaser and for any Yield Period for any Portion of Capital the per annum rate equivalent to the weighted average cost (as determined by the applicable Group Agent and which shall include commissions of placement agents and dealers, incremental carrying costs incurred with respect to Notes of such Person maturing on dates other than those on which corresponding funds are received by such Conduit Purchaser, other borrowings by such Conduit Purchaser (other than under any Program Support Agreement) and any other costs associated with the issuance of Notes) of or related to the issuance of Notes that are allocated, in whole or in part, by the applicable Group Agent to fund or maintain such Portion of Capital (and which may be also allocated in part to the funding of other assets of such Conduit Purchaser); provided, however, that if any component of such rate is a discount rate, in calculating the “CP Rate” for such Portion of Capital for such Yield Period, the applicable Group Agent shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum; provided, further, that notwithstanding anything in this Agreement or the other Transaction Documents to the contrary, the Seller agrees that any amounts payable to the Purchasers in respect of Yield for any Yield Period with respect to any Portion of Capital funded by such Purchaser at the CP Rate shall include an amount equal to the portion of the face amount of the outstanding Notes issued to fund or maintain such Portion of Capital that corresponds to the portion of the proceeds of such Notes that was used to pay the interest component of maturing Notes issued to fund or maintain such Portion of Capital, to the extent that such Purchaser had not received payments of interest in respect of such interest component prior to the maturity date of such maturing Notes (for purposes of the foregoing, the

“interest component” of Notes equals the excess of the face amount thereof over the net proceeds received by such Purchaser from the issuance of Notes, except that if such Notes are issued on an interest-bearing basis its “interest component” will equal the amount of interest accruing on such Notes through maturity).

“CP Rate Capital” means, at any time, any Capital (or portion thereof) of any CP Rate Purchaser, which Capital (or portion thereof) is then being funded by such CP Rate Purchaser through the issuance of Notes. For the avoidance of doubt, to the extent any CP Rate Purchaser funds any Capital through its Liquidity Agreement or any other Program Support Agreement, rather than through the issuance of Notes, such Capital shall not constitute CP Rate Capital.

“CP Rate Purchaser” means any Conduit Purchaser that is a member of MUFG Bank, Ltd.’s Purchaser Group.

“Credit Agreement” means that certain Revolving Credit Agreement, dated as of November 1, 2021, by and among DXC Technology Company, as borrower, the financial institutions listed therein as lenders and Citibank, N.A., as administrative agent for the lenders thereunder (as amended, restated, supplemented or otherwise modified from time to time).

“Credit and Collection Policy” means, as the context may require, those receivables credit and collection policies and practices of the Originators in effect on the Closing Date and described in Exhibit E, as modified in compliance with this Agreement.

“Credit Risk Retention Rules” means (i) Section 15G of the Securities Exchange Act of 1934, as amended, and (ii) Articles 404-410 of the EU Capital Requirements Regulation (including Article 122a of the Banking Consolidation Directive), in each case, together with the rules and regulations thereunder.

“Daily 1M SOFR” means, for any day, the rate per annum determined by the applicable Group Agent equal to the Term SOFR Reference Rate for such day for a one (1) month period, as published by the Term SOFR Administrator; provided, that if Daily 1M SOFR, determined as provided above, would be less than the SOFR Floor, then Daily 1M SOFR shall be deemed to be the SOFR Floor. The rate of interest will be adjusted automatically as of each Business Day based on changes in Daily 1M SOFR without notice to the Seller.

“Days’ Sales Outstanding” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) as of the last day of each of the three most recent Fiscal Months ended on the last day of such Fiscal Month, divided by (b) (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the three most recent Fiscal Months ended on the last day of such Fiscal Month, divided by (ii) 90.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), the interest rate per annum determined by the applicable Group Agent equal to SOFR for the day (the “SOFR Determination Date”) that is 2 Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a Business Day or (ii) the Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a Business Day, in each case, as such SOFR is published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source identified by the Federal Reserve Bank of New York or its successor administrator for the secured overnight financing rate from time to time. If Daily Simple SOFR as determined above would be less than the SOFR Floor, then Daily Simple SOFR shall be deemed to be the SOFR Floor. If SOFR for any SOFR Determination Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh,

Pennsylvania time) on the second Business Day immediately following such SOFR Determination Date, then SOFR for such SOFR Determination Date will be SOFR for the first Business Day preceding such SOFR Determination Date for which SOFR was published in accordance with the definition of "SOFR"; provided that SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily Simple SOFR for no more than 3 consecutive SOFR Rate Days. If and when Daily Simple SOFR as determined above changes, any applicable rate of interest based on Daily Simple SOFR will change automatically without notice to the Seller, effective on the date of any such change.

"Debt" means, as to any Person at any time of determination, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person for or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any bonds, debentures, notes, note purchase, acceptance or credit facility, or other similar instruments or facilities, (iii) reimbursement obligations (contingent or otherwise) under any letter of credit, (iv) any other transaction (including production payments (excluding royalties), installment purchase agreements, forward sale or purchase agreements, capitalized leases and conditional sales agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements (but not including accounts payable incurred in the ordinary course of such Person's business payable on terms customary in the trade), (v) all net obligations of such Person in respect of interest rate or currency hedges or (vi) any Guaranty of any such Debt; provided, that "Debt" shall not include borrowings against the cash surrender value of life insurance policies covering employees of any Person so long as (A) recourse of such borrowings is limited to such policies and the proceeds thereof and (B) any value assigned to such policies on the consolidated financial statements of such Person is net of the amount of such borrowings.

"Deemed Collections" has the meaning set forth in Section 4.01(d).

"Default Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that first became Defaulted Receivables during such Fiscal Month (and were not Defaulted Receivables in any prior Fiscal Month), by (b) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the month that is six Fiscal Months before such Fiscal Month.

"Defaulted Receivable" means a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for more than 150 days from the original due date for such payment;

(b) as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon;

(c) that has been written off the applicable Originator's or the Seller's books as uncollectible; or

(d) that, consistent with the Credit and Collection Policy, should be written off the applicable Originator's or the Seller's books as uncollectible;

provided, however, that in each case above such amount shall be calculated without giving effect to any netting of credits that have not been matched to a particular Receivable for the purposes of aged trial balance reporting.

“Defaulting Purchaser” means any Purchaser that (a) has failed, within two (2) Business Days of the date required to be made, to (i) make any portion of its Investments or (ii) pay over to any Purchaser Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Purchaser notifies the Administrative Agent in writing that such failure is the result of such Purchaser’s good faith determination that a condition precedent to making Investments (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Seller or any Purchaser Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Purchaser’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to making an Investment under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Purchaser Party, acting in good faith, to provide a certification in writing from an authorized officer of such Purchaser that it will comply with its obligations (and is financially able to meet such obligations) to make prospective Investments under this Agreement, *provided* that such Purchaser shall cease to be a Defaulting Purchaser pursuant to this clause (c) upon such Purchaser Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of an Insolvency Proceeding.

“Deferred Revenue Amount” means, for any Fiscal Month, the aggregate amount of the Originators’ liabilities for deferred revenue and advance contract payments determined in accordance with GAAP as of the last day of such Fiscal Month.

“Delinquency Ratio” means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that were Delinquent Receivables on such day, by (b) the aggregate Outstanding Balance of all Pool Receivables on such day.

“Delinquent Receivable” means a Receivable as to which any payment, or part thereof, remains unpaid for more than 90 days from the original due date for such payment; provided, however, that such amount shall be calculated without giving effect to any netting of credits that have not been matched to a particular Receivable for the purposes of aged trial balance reporting.

“Dilution Horizon Ratio” means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of such Fiscal Month by dividing: (a) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during such Fiscal Month, by (b) the Adjusted Net Receivables Pool Balance as of the last day of such Fiscal Month. Within thirty (30) days of the completion and the receipt by the Administrative Agent of the results of any annual audit or field exam of the Receivables and the servicing and origination practices of the Servicer and the Originators, the numerator of the Dilution Horizon Ratio may be adjusted by the Administrative Agent with the written consent of the Majority Group Agents on not less than five (5) Business Days’ notice to the Seller to reflect such number of Fiscal Months as the Administrative Agent and the Majority Group Agents reasonably believe best reflects the business practices of the Servicer and the Originators and the actual amount of dilution and Deemed Collections that occur with respect to Pool Receivables based on the weighted average dilution lag calculation completed as part of such audit or field exam.

“Dilution Ratio” means the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each Fiscal Month by dividing: (a) the aggregate amount of Deemed Collections during such Fiscal Month (other than any Deemed Collections with respect to any Receivables that were both (x) generated

by an Originator during such Fiscal Month and (y) written off the applicable Originator's or the Seller's books as uncollectible during such Fiscal Month), by (b) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is one month prior to such Fiscal Month.

"Dilution Reserve Percentage" means, on any day, the greater of (a) 8.00% and (b) the product (expressed as a percentage) of (i) the Dilution Horizon Ratio multiplied by (ii) the sum of (x) 2.0 times the average of the Dilution Ratios for the twelve most recent Fiscal Months and (y) the Dilution Volatility Component.

"Dilution Volatility Component" means, for any Fiscal Month, the product (expressed as a percentage) of:

(a) the positive difference, if any, between: (i) the highest Dilution Ratio for any Fiscal Month during the twelve most recent Fiscal Months and (ii) the arithmetic average of the Dilution Ratios for such twelve Fiscal Months times

(b) the quotient of (i) the highest Dilution Ratio for any Fiscal Month during the twelve most recent Fiscal Months divided by (ii) the arithmetic average of the Dilution Ratios for such twelve Fiscal Months.

"Dollars" and "\$" each mean the lawful currency of the United States of America.

"DXC" means DXC Technology Company, a Nevada corporation.

"Eligible Assignee" means (i) any Committed Purchaser or any of its Affiliates, (ii) any Person managed by a Committed Purchaser or any of its Affiliates and (iii) any other financial or other institution, in each case that has been approved by the Group Agent for such Group and consented to by the Administrative Agent (such consent not to be unreasonably withheld).

"Eligible Foreign Obligor" means an Obligor that is organized in or that has a head office (domicile), registered office, and chief executive office located in a country other than the United States of America that is (i) not a Sanctioned Country and (ii) that has a long-term sovereign foreign currency rating of at least "BBB-" by S&P and "Baa3" by Moody's.

"Eligible Receivable" means, at any time of determination, a Pool Receivable:

(a) the Obligor of which is: (i) a U.S. Obligor or an Eligible Foreign Obligor; (ii) not a Sanctioned Person; (iii) not subject to any Insolvency Proceeding; (iv) not an Affiliate of the Seller, the Servicer, the Parent or any Originator; (v) not the Obligor with respect to Delinquent Receivables with an aggregate Outstanding Balance exceeding 50% of the aggregate Outstanding Balance of all such Obligor's Pool Receivables; (vi) not a natural person; (vii) not a material supplier to any Originator or an Affiliate of a material supplier; and (viii) not a Governmental Authority (other than a state or local governmental entity);

(b) that is denominated and payable only in Dollars, and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Blocked Account, Lock-Box or Collection Account in the United States of America;

(c) that does not have a due date which is more than (i) with respect to any Obligor that is a Group A Obligor, Group B Obligor or Group C Obligor, 180 days after the original invoice date of such Receivable and (ii) with respect to any other Obligor, 120 days after the original invoice date of such Receivable;

(d) that arises under a Contract for the sale of goods or services in the ordinary course of the applicable Originator's business;

(e) that arises under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity regardless of whether enforceability is considered in a proceeding in equity or at law;

(f) that has been transferred by an Originator to the Seller pursuant to the Purchase and Sale Agreement with respect to which transfer all conditions precedent under the Purchase and Sale Agreement have been met;

(g) that, together with the Contract related thereto, conforms in all material respects with all Applicable Laws (including any applicable laws relating to usury, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy);

(h) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with or notices to, any Governmental Authority or other Person required to be obtained, effected or given by an Originator in connection with the creation of such Receivable, the execution, delivery and performance by such Originator of the related Contract or the assignment thereof under the Purchase and Sale Agreement have been duly obtained, effected or given and are in full force and effect;

(i) (i) that is not subject to any existing dispute, right of rescission, set-off, counterclaim, any other defense against the applicable Originator (or any assignee of such Originator) or ~~Adverse Claim other than a Permitted Adverse Claim~~ unexpired volume or pricing discounts or rebates or other usual adjustments or dilutions incurred by the related Originator in the normal course of its business to which such Originator may be entitled (including, without limitation, any adjustments that are necessary to correct manual errors on invoices that do not reduce the Outstanding Balance of the applicable Receivable) (*provided*, that if such Receivable is subject to any existing dispute, right of rescission, set-off, counterclaim, any other defense against the applicable Originator or unexpired volume or pricing discounts or rebates or other usual adjustments or dilutions incurred by the related Originator in the ordinary course, only the portion of such Receivable attributable to the above shall be excluded and *provided, further that no such amounts attributable to trade payables arising in the ordinary course of business owing by an Originator to an Obligor shall be required to be excluded so long the related Obligor is not a Group D Obligor and no Non-IG Ratings Event is then continuing*), (ii) that is not subject to any existing ~~Adverse Claim other than a Permitted Adverse Claim~~ and (iii) the Obligor of which holds no right as against the applicable Originator to cause such Originator to repurchase the goods or merchandise, the sale of which shall have given right to such Receivable;

(j) that satisfies in all material respects all applicable requirements of the Credit and Collection Policy;

(k) that, together with the Contract related thereto, has not been modified, waived or restructured since its creation, except as permitted pursuant to Section 9.02 of this Agreement;

(l) in which the Seller owns good and marketable title, free and clear of any Adverse Claims other than Permitted Adverse Claims, and that is freely assignable (including without any consent of the related Obligor or any Governmental Authority);

(m) for which the Administrative Agent (on behalf of the Secured Parties) shall have a valid and enforceable first priority perfected ownership or security interest therein and in the Related Security and Collections with respect thereto, in each case free and clear of any Adverse Claim other than Permitted Adverse Claims;

(n) that (i) constitutes an “account” or “general intangible” (as defined in the UCC), (ii) is not evidenced by instruments or chattel paper and (iii) does not constitute, or arise from the sale of, as-extracted collateral (as defined in the UCC);

(o) that is none of a Defaulted Receivable, a Delinquent Receivable or an Excluded Receivable;

(p) for which no Originator, the Seller, the Parent or the Servicer has established any offset or netting arrangements (including customer deposits and advance payments (including payments relating to unearned revenues)) with the related Obligor in connection with the ordinary course of payment of such Receivable;

(q) that represents amounts earned and payable in accordance with the terms of the related Contract by the Obligor that are not subject to the performance of additional services by the Originator thereof or by the Seller and the related goods or merchandise shall have been shipped and/or services performed, other than, in the case of an Eligible Unbilled Receivable, the billing or invoicing of such Receivable; *provided*, that if such Receivable is subject to the performance of additional services, only the portion of such Receivable attributable to such additional services shall be excluded;

(r) which (i) does not arise from a sale of accounts made as part of a sale of a business or constitute an assignment for the purpose of collection only, (ii) is not a transfer of a single account made in whole or partial satisfaction of a preexisting indebtedness or an assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract and (iii) is not a transfer of an interest in or an assignment of a claim under a policy of insurance;

(s) which does not relate to the sale of any consigned goods or finished goods which have incorporated any consigned goods into such finished goods;

(t) that, if such Receivable is an Unbilled Receivable, is an Eligible Unbilled Receivable; and

(u) which Receivable does not constitute a fixed “hell or high-water” lease payment for equipment or software dedicated to providing information technology services to an Obligor or any termination payments owed by an Obligor related thereto.

“Eligible Unbilled Receivable” means, at any time, any Unbilled Receivable that satisfies each of the following: (a) such Unbilled Receivable represents amounts earned and payable in accordance with the terms of the related Contract and (b) if the Outstanding Balance of such Unbilled Receivable were included in the definition of Modified Days’ Sales Outstanding, Modified Days’ Sales Outstanding would not exceed the Maximum Term; provided, however, for purposes of exclusion of any Unbilled Receivable pursuant to this clause (b), Unbilled Receivables shall be excluded in order based on the Outstanding Balance (with the smallest amount excluded first). For purposes of this definition of “Eligible Unbilled Receivable”, “Maximum Term” means ninety (90) days.

“Employee Benefit Plan” means any “employee benefit plan” as defined in Section 3(3) of ERISA which is or was maintained or contributed to by Parent, its Subsidiaries or any of its ERISA Affiliates.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rule or regulation issued thereunder.

“ERISA Affiliate” means any Person who for purposes of Title IV of ERISA is a member of Parent’s controlled group, or under common control with Parent, within the meaning of Section 414 of the Code and the regulations promulgated and rulings issued thereunder. Any former ERISA Affiliate of Parent or its Subsidiaries shall continue to be considered an ERISA Affiliate within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of Parent or its Subsidiaries and with respect to liabilities arising after such period for which Parent or its Subsidiaries could be liable under the Code or ERISA.

“ERISA Event” means (a) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, unless the 30-day notice requirement with respect thereto has been waived by the PBGC; (b) the provision by the administrator of any Pension Plan of a notice of intent to terminate such Pension Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (c) the cessation of operations at a facility in the circumstances described in Section 4062(e) of ERISA; (d) the withdrawal by Parent or an ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (e) the failure by the Company of any ERISA Affiliate to make a payment to a Pension Plan required under Section 303(k) of ERISA, which Section imposes a lien for failure to make required payments; (f) the institution by the PBGC of proceedings to terminate a Pension Plan, pursuant to Section 4042 of ERISA, or the occurrence of any event or condition which, in the reasonable judgment of Parent, might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, a Pension Plan; (g) the withdrawal by Parent or any ERISA Affiliate from any Multiemployer Plan or the termination of such Multiemployer Plan resulting in liability pursuant to Title IV of ERISA; or (h) a determination that any Pension Plan is, or is expected to be, in “at-risk” status (within the meaning of Section 303(i)(4)(A) of ERISA or Section 430(i)(4)(A) of the Code).

“Erroneous Payment” has the meaning assigned to it in Section 11.13(a).

“Erroneous Payment Deficiency Assignment” has the meaning assigned to it in Section 11.13(d).

“Erroneous Payment Return Deficiency” has the meaning assigned to it in Section 11.13(d).

“Erroneous Payment Subrogation Rights” has the meaning assigned to it in Section 11.13(d).

“Event of Termination” has the meaning specified in Section 10.01. For the avoidance of doubt, any Event of Termination that occurs shall be deemed to be continuing at all times thereafter unless and until waived in accordance with Section 14.01.

“Excess Concentration” means the sum of the following amounts, without duplication:

(a) the sum of the amounts calculated for each of the Obligor equal to the excess (if any) of (i) aggregate Outstanding Balance of the Eligible Receivables of such Obligor, over (ii) the product of (x) such Obligor’s Concentration Percentage, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(b) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Unbilled Receivables, over (ii) the product of (x) 40.00%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(c) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that have a due date which is more than 60 days but not more than 90 days after the original invoice date of such Receivable, over (ii) the product of (x) 20.00%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(d) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that have a due date which is more than 90 days but not more than 120 days after the original invoice date of such Receivable, over (ii) the product of (x) 7.50%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(e) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that have a due date which is more than 120 days after the original invoice date of such Receivable, over (ii) the product of (x) 2.50%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(f) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables due from a state or local governmental entity, over (ii) the product of (x) 5.00%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(g) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables owing from the four (4) Group D Obligors (each, together with its respective Affiliates) with the four (4) largest Obligor Percentages of all Group D Obligors, over (ii) the product of (x) 16.00%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables; plus

(h) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligors of which are Eligible Foreign Obligors, over (ii) the product of (x) 7.50%, multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

“Exchange Act” means the Securities Exchange Act of 1934, as amended or otherwise modified from time to time.

“Excluded Obligor” means (i) any Obligor that the Seller, the Servicer, the Administrative Agent and the Group Agents have agreed in writing shall constitute an “Excluded Obligor” or (ii) each Obligor designated as such in an Excluded Obligor Request that has satisfied each of the requirements set forth in Section 9.07 of this Agreement.

“Excluded Obligor Date” means, with respect to each Excluded Obligor, the applicable date designated as such in the related Excluded Obligor Request or in writing delivered in accordance with clause (i) of the “Excluded Obligor” definition.

“Excluded Obligor Letter Agreement” means that certain amended and restated letter agreement re: Excluded Obligors, dated as of February 18, 2020, among the Seller, the Servicer, the Group Agents and the Administrative Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Excluded Obligor Request” means a request, in substantially the form of Exhibit I to this Agreement, made by or on behalf of the Servicer pursuant to Section 9.07 of this Agreement.

“Excluded Receivable” means any Receivable (as defined without giving effect to the *proviso* in the definition thereof) (i) that constitutes a fixed “hell or high-water” lease payment for equipment and software dedicated to providing information technology services to an Obligor and any termination payments owed by an Obligor related thereto, which Receivable has been sold or assigned by the related Originator to a third party that is not an Affiliate of Parent pursuant to a transaction or series of transactions that have been disclosed in writing by the Servicer to the Administrative Agent and the Group Agents prior to the later of the Closing Date and such sale; provided, that any such written disclosure shall identify the buyer or assignee of the relevant Excluded Receivable and the Obligor(s) thereof or (ii) originated on or after the applicable Excluded Obligor Date, the Obligor of which is an Excluded Obligor or any Subsidiary thereof. Except as otherwise agreed in writing by the Seller, the Servicer, the Administrative Agent and the Group Agents, no Receivable sold or contributed to the Seller pursuant to the Purchase and Sale Agreement shall subsequently become an Excluded Receivable.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to an Affected Person or required to be withheld or deducted from a payment to an Affected Person: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Affected Person being organized under the laws of, or having its principal office or, in the case of any Purchaser, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Purchaser, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Purchaser with respect to an applicable interest in its Capital or Commitment pursuant to a law in effect on the date on which (i) such Purchaser funds an Investment or its Commitment or (ii) such Purchaser changes its lending office, except in each case to the extent that amounts with respect to such Taxes were payable either to such Purchaser’s assignor immediately before such Purchaser became a party hereto or to such Purchaser immediately before it changed its lending office, (c) Taxes attributable to such Affected Person’s failure to comply with Section 5.03(f) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Exiting Group” has the meaning set forth in Section 2.02(g).

“Exiting Purchaser” has the meaning set forth in Section 2.02(g).

“Facility Limit” means \$400,000,000 as reduced or increased from time to time pursuant to Sections 2.02(e) or 2.07. References to the unused portion of the Facility Limit shall mean, at any time of determination, an amount equal to (x) the Facility Limit at such time, minus (y) the Aggregate Capital.

“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, any applicable intergovernmental agreement entered into between the United States and any other Governmental Authority in connection with the implementation of the foregoing and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any such intergovernmental agreement.

“Fee Letter” has the meaning specified in Section 2.03(a).

“Fees” has the meaning specified in Section 2.03(a).

“Final Payout Date” means the date on or after the Termination Date when (i) the Aggregate Capital has been reduced to zero and Aggregate Yield has been paid in full, (ii) all

other Seller Obligations have been paid in full, (iii) all other amounts owing to the Purchaser Parties and any other Seller Indemnified Party or Affected Person hereunder and under the other Transaction Documents have been paid in full and (iv) all accrued Servicing Fees have been paid in full.

“Financial Officer” of any Person means, the chief executive officer, the chief financial officer, the chief accounting officer, the principal accounting officer, the controller, the treasurer or the assistant treasurer of such Person.

“Fiscal Month” means each calendar month.

“Fitch” means Fitch, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“Floor” means a rate of interest equal to zero (0.00%) per annum.

“GAAP” means generally accepted accounting principles in the United States of America, in effect as of the date of determination thereof, consistently applied.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Group” means, (i) for any Conduit Purchaser, such Conduit Purchaser, together with such Conduit Purchaser’s Related Committed Purchasers and related Group Agent, (ii) for PNC, PNC as a Committed Purchaser and as a Group Agent, (iii) for any other Purchaser that does not have a related Conduit Purchaser, such Purchaser, together with such Purchaser’s related Group Agent and each other Purchaser for which such Group Agent acts as a Group Agent hereunder.

“Group A Obligor” means any Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) with a short-term rating of at least: (a) “A-1” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “A+” or better by S&P on such Obligor’s, its parent’s, or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) “P-1” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “A1” or better by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group A Obligor” shall be deemed to be a Group A Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage” and clause (a) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group B Obligor”, or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

“Group Agent” means each Person acting as agent on behalf of a Group and designated as the Group Agent for such Group on the signature pages to this Agreement or any other Person who becomes a party to this Agreement as a Group Agent for any Group pursuant to an Assumption Agreement, an Assignment and Acceptance Agreement or otherwise in accordance with this Agreement.

“Group B Obligor” means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor, with a short-term rating of at least: (a) “A-2” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “BBB+” to “A” by S&P on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) “P-2” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa1” to “A-2” by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group B Obligor” shall be deemed to be a Group B Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage” and clause (a) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor” or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group A Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

“Group C Obligor” means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor or a Group B Obligor, with a short-term rating of at least: (a) “A-3” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “BBB-” to “BBB” by S&P on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) “P-3” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa3” to “Baa2” by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group C Obligor” shall be deemed to be a Group C Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage” and clause (a) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor” or “Group B Obligor” in which case such Obligor shall be separately treated as a Group A Obligor or a Group B Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

“Group Commitment” means, with respect to any Group, at any time of determination, the aggregate Commitments of all Committed Purchasers within such Group.

“Group D Obligor” means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor; provided, that any Obligor (or its parent or majority owner, as applicable, if such Obligor is unrated) that is not rated by both Moody’s and S&P shall be a Group D Obligor.

“Guaranteed Obligations” has the meaning set forth in Section 15.01.

“Guaranty” means, with respect to any Person, any obligation of such Person guarantying or in effect guarantying any Debt, liability or obligation of any other Person in any manner, whether directly or indirectly, including any such liability arising by virtue of partnership agreements, including any agreement to indemnify or hold harmless any other Person, any performance bond or other suretyship arrangement and any other form of assurance against loss, except endorsement of negotiable or other instruments for deposit or collection in the ordinary course of business.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Seller or any of its Affiliates under any Transaction Document and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

“Independent Director” has the meaning set forth in Section 8.03(c).

“Information Package” means a report, in substantially the form of Exhibit F.

“Initial Schedule of Sold Receivables” means the list identifying all Sold Receivables as of the Sixth Amendment Effective Date, which list is attached as Schedule IV hereto.

“Insolvency Proceeding” means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors of a Person, composition, marshaling of assets for creditors of a Person, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each of clauses (a) and (b) undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

“Intended Tax Treatment” has the meaning set forth in Section 14.14.

“Investment” means any payment of Capital to the Seller by a Purchaser pursuant to Section 2.01(a) or 2.02.

“Investment Company Act” means the Investment Company Act of 1940, as amended or otherwise modified from time to time.

“Investment Request” means a letter in substantially the form of Exhibit A hereto executed and delivered by the Seller to the Administrative Agent and the Group Agents pursuant to Section 2.02(a).

“Law” means any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, issued guidance, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award of or any settlement arrangement, by agreement, consent or otherwise, with any Governmental Authority, foreign or domestic.

“LCR Security” means any commercial paper or security (other than equity securities issued to Parent or any Originator that is a consolidated subsidiary of Parent under GAAP) within the meaning of Paragraph __32(e)(viii) of the final rules titled Liquidity Coverage Ratio: Liquidity Risk Measurement Standards, 79 Fed. Reg. 197, 61440 et seq. (October 10, 2014).

“Liquidity Agent” means any bank or other financial institution acting as agent for the various Liquidity Providers under each Liquidity Agreement.

“Liquidity Agreement” means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Purchaser in order to provide liquidity for such Conduit Purchaser’s Capital and Notes.

“Liquidity Provider” means each bank or other financial institution that provides liquidity support to any Conduit Purchaser pursuant to the terms of a Liquidity Agreement.

“Lock-Box” means each locked postal box associated with a Collection Account for the purpose of retrieving and processing payments made on the Receivables and which is listed on Schedule II-A (as such schedule may be modified from time to time in connection with the addition or removal of any Lock-Box in accordance with the terms hereof).

“Loss Horizon Ratio” means, at any time of determination, the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed by dividing:

(a) the sum of (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the seven (7) most recent Fiscal Months, plus (ii) the product of (x) 0.45, times (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) originated by the Originators during the eighth (8th) most recent Fiscal Month; by

(b) the Adjusted Net Receivables Pool Balance as of the end of the immediately preceding Fiscal Month.

“Loss Reserve Percentage” means, at any time of determination, the greater of (a) 12.00% and (b) the product of (i) 2.0, times (ii) the highest average of the Default Ratios for any three consecutive Fiscal Months during the twelve most recent Fiscal Months, times (iii) the Loss Horizon Ratio.

“Majority Group Agents” means one or more Group Agents which in its Group, or their combined Groups, as the case may be, have Committed Purchasers representing more than 50% of the aggregate Commitments of all Committed Purchasers in all Groups (or, if the Commitments have been terminated, have Purchasers representing more than 50% of the aggregate outstanding Capital held by all the Purchasers in all Groups); *provided, however*, that, in no event shall the Majority Group Agents include fewer than two (2) Group Agents at any time when there are two (2) or more Groups.

“Material Adverse Effect” means relative to any Person (*provided* that if no particular Person is specified, “Material Adverse Effect” shall be deemed to be relative to the Seller, the Servicer and the Originators, individually and in the aggregate) with respect to any event or circumstance, a material adverse effect on any of the following:

(a) the assets, operations, business or financial condition of the Seller, the Servicer, the Performance Guarantor or any Originator;

(b) the ability of the Seller, the Servicer, the Performance Guarantor or any Originator to perform its obligations under this Agreement or any other Transaction Document to which it is a party;

(c) the validity or enforceability of this Agreement or any other Transaction Document, or the validity, enforceability, value or collectability of any material portion of the Pool Receivables; or

(d) the status, perfection, enforceability or priority of the Administrative Agent’s ownership or security interest in the Sold Assets or the Seller Collateral (taken as a whole).

“Minimum Dilution Reserve Percentage” means, on any day, the product (expressed as a percentage) of (a) the average of the Dilution Ratios for the twelve most recent Fiscal Months multiplied by (b) the Dilution Horizon Ratio.

“Minimum Funding Threshold” means, on any day, an amount equal to the lesser of (a) the product of (i) 50.0% times (ii) the Facility Limit at such time and (b) the Capital Coverage Amount at such time.

“Modified Days’ Sales Outstanding” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Outstanding Balance of all Pool Receivables as of the last day of each of the three most recent Fiscal Months ended on the last day of such Fiscal Month, divided by (b) (i) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the three most recent Fiscal Months ended on the last day of such Fiscal Month, divided by (ii) 90.

“Monthly Settlement Date” means the twenty-second (22nd) day of each calendar month (or if such day is not a Business Day, the next occurring Business Day).

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“Multiemployer Plan” means a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA to which the Seller, the Servicer, any Originator, the Parent or any of their respective ERISA Affiliates (other than one considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code) is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

“Multiple Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (a) is maintained for employees of Parent or an ERISA Affiliate and at least one Person other than Parent and its ERISA Affiliates or (b) was so maintained and in respect of which Parent or an ERISA Affiliate could have liability under Section 4063, 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Net Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of Eligible Receivables then in the Receivables Pool, minus (b) the Excess Concentration minus (c) the Offset Reserve Amount.

“Ninth Amendment Effective Date” means May 29, 2020.

“Non-IG Ratings Event” means, at any time of determination, one or more of the following events has occurred and is continuing: (i) Performance Guarantor’s long-term issuer credit rating by S&P is below BBB-; (ii) Performance Guarantor’s senior unsecured long-term rating by Moody’s is below Baa3 or (iii) Performance Guarantor does not have a senior unsecured long-term rating by Moody’s or a long-term issuer credit rating by S&P.

“Non-Reinvestment Event” has the meaning specified in Section 3.01. For the avoidance of doubt, any Non-Reinvestment Event that occurs shall be deemed to be continuing at all times thereafter unless and until waived in accordance with Section 14.01.

“Notes” means short-term promissory notes issued, or to be issued, by any Conduit Purchaser to fund its investments in accounts receivable or other financial assets.

“Obligor” means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

“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 the Excess Concentration 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.

“OFAC” means the U.S. Department of Treasury’s Office of Foreign Assets Control.

“Offset Reserve Amount” means, at any time during any Fiscal Month, an amount equal to (a) if Performance Guarantor then has both a long-term issuer credit rating of BBB- or better by S&P and a senior unsecured long-term rating of Baa3 or better by Moody’s, the ~~sum of (i) product of (x) 44.00%, times (y) the Deferred Revenue Amount with respect to DXC Technology Services LLC for the immediately preceding Fiscal Month, plus (ii) the product of (x) 20.00%~~25.00%, times (y) the Deferred Revenue Amount with respect to each Originator ~~other than DXC Technology Services LLC~~ for the immediately preceding Fiscal Month or (b) if Performance Guarantor lacks either such debt rating, the Deferred Revenue Amount for the immediately preceding Fiscal Month; provided, however, that clause (b) shall exclude (i) any such liability or portion thereof that is not owed to or related to Obligors on Eligible Receivables and (ii) the amount (if any) by which (x) any such liability or portion thereof owed to or related to an Obligor on Eligible Receivables, exceeds (y) the aggregate Outstanding Balance of the Eligible Receivables owing by such Obligor. The Administrative Agent with the written consent of the Majority Group Agents may, from time-to-time and in their discretion by written notice to the Seller, increase or decrease the percentages specified in clause (a) above to any percentage not exceeding 100%, which increase or decrease shall be effective on and after the Monthly Settlement Date occurring in the Fiscal Month immediately following the Fiscal Month in which such notice is delivered to the Seller, and such increased or decreased percentages shall be used in calculating the Offset Reserve Amount (and the resulting Net Receivables Pool Balance) for the Fiscal Month immediately preceding such Monthly Settlement Date (including in the Information Package related to such Monthly Settlement Date); provided, however, that any decrease in such percentages shall not be effective without the prior written consent of all Group Agents.

“Originator” and “Originators” have the meaning set forth in the Purchase and Sale Agreement, as the same may be modified from time to time by adding new Originators or removing Originators, in each case in accordance with the terms and conditions of the Purchase and Sale Agreement.

“Other Connection Taxes” means, with respect to any Affected Person, Taxes imposed as a result of a present or former connection between such Affected Person and the jurisdiction imposing such Tax (other than connections arising from such Affected Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any Capital or Transaction Document).

“Other Taxes” means any and all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies or fees arising from any payment made hereunder or from the execution, delivery, filing, recording or enforcement of, or otherwise in respect of, this Agreement, the other Transaction Documents and the other documents or agreements to be delivered hereunder or thereunder, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“Outstanding Balance” means, at any time of determination, with respect to any Receivable, the then outstanding principal balance thereof.

“Overnight Bank Funding Rate” means for any day, the rate comprised of both overnight federal funds and overnight eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York (“NYFRB”), as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Administrative Agent for the purpose of displaying such rate); provided, that if such day is not a Business Day,

the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Administrative Agent at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the Seller.

“Parent” means DXC.

“Parent Group” has the meaning set forth in Section 8.03(c).

“Participant” has the meaning set forth in Section 14.03(e).

“Participant Register” has the meaning set forth in Section 14.03(f).

“PATRIOT Act” has the meaning set forth in Section 14.15.

“PBGC” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“Pension Plan” means a Single Employer Plan or a Multiple Employer Plan or both.

“Percentage” means, at any time of determination, with respect to any Committed Purchaser, a fraction (expressed as a percentage), (a) the numerator of which is (i) prior to the termination of all Commitments hereunder, its Commitment at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Purchasers in such Committed Purchaser’s Group at such time and (b) the denominator of which is (i) prior to the termination of all Commitments hereunder, the aggregate Commitments of all Committed Purchasers at such time or (ii) if all Commitments hereunder have been terminated, the Aggregate Capital at such time.

“Performance Guarantor” means DXC.

“Performance Guaranty” means the Performance Guaranty, dated as of the Closing Date, by the Performance Guarantor in favor of the Administrative Agent for the benefit of the Secured Parties.

“Permitted Adverse Claim” means:

(a) inchoate Adverse Claims for taxes, assessments or governmental charges or levies not yet due and payable or taxes, assessments, other governmental charges and levies being contested in good faith by appropriate proceedings;

(b) Adverse Claims with respect to any mechanics, suppliers, materialmen, laborers, employees, repairmen and other like liens arising in the ordinary course of business securing obligations that are not due and payable;

(c) bankers’ liens, rights of setoff and other similar Adverse Claims existing solely with respect to cash on deposit in a Blocked Account to the extent such Adverse Claims are not terminated pursuant to an Account Control Agreement;

(d) any Adverse Claim in respect of any Receivable which will be released on or prior to the sale or transfer (or purported sale or transfer) of such Receivable under the Purchase and Sale Agreement; and

(e) any Adverse Claim created under, and not prohibited by, the Transaction Documents.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“PNC” has the meaning set forth in the preamble to this Agreement.

“Pool Receivable” means a Receivable in the Receivables Pool. For the avoidance of doubt, the Pool Receivables shall include both Sold Receivables and Unsold Receivables.

“Portion of Capital” means, with respect to any Purchaser and its related Capital, the portion of such Capital being funded or maintained by such Purchaser by reference to a particular interest rate basis.

“Program Support Agreement” means and includes any Liquidity Agreement and any other agreement entered into by any Program Support Provider providing for: (a) the issuance of one or more letters of credit for the account of any Conduit Purchaser, (b) the issuance of one or more surety bonds for which any Conduit Purchaser is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, (c) the sale by any Conduit Purchaser to any Program Support Provider of any Capital (or portions thereof or participation interest therein) maintained by such Conduit Purchaser and/or (d) the making of loans and/or other extensions of credit to any Conduit Purchaser in connection with such Conduit Purchaser’s receivables-securitization program contemplated in this Agreement, together with any letter of credit, surety bond or other instrument issued thereunder.

“Program Support Provider” means and includes, with respect to any Conduit Purchaser, any Liquidity Provider and any other Person (other than any customer of such Conduit Purchaser) now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, such Conduit Purchaser pursuant to any Program Support Agreement.

“Purchase and Sale Agreement” means the Purchase and Sale Agreement, dated as of the Closing Date, among the Servicer, the Originators and the Seller, as amended by the First Amendment to the Purchase and Sale Agreement, dated as of August 22, 2018, as further amended by the Second Amendment to the Purchase and Sale Agreement, dated as of September 24, 2018, as further amended by the Third Amendment to the Purchase and Sale Agreement, dated of the Sixth Amendment Effective Date.

“Purchase and Sale Termination Event” has the meaning set forth in the Purchase and Sale Agreement.

“Purchaser Designated Reference Rate” is defined in Section 2.05.

“Purchaser Party” means each Purchaser, the Administration Agent and each Group Agent.

“Purchasers” means the Conduit Purchasers and the Committed Purchasers.

“Rating Agency” mean each of S&P, Fitch and Moody’s (and/or each other rating agency then rating the Notes of any Conduit Purchaser).

“Rating Agency Condition” means, when applicable, with respect to any Conduit Purchaser and any event or occurrence, receipt by the Administrative Agent (or the applicable

Group Agent) of written confirmation from each Rating Agency then rating the Notes of such Conduit Purchaser that such event or occurrence shall not cause the rating on the then outstanding Notes of such Conduit Purchaser to be downgraded or withdrawn.

“Ratings Event” means, at any time of determination, one or more of the following events has occurred and is continuing: (i) Performance Guarantor’s long-term issuer credit rating by S&P is below BB+; (ii) Performance Guarantor’s senior unsecured long-term rating by Moody’s is below Ba1 or (iii) Performance Guarantor does not have a senior unsecured long-term rating by Moody’s or a long-term issuer credit rating by S&P.

“Receivable” means any right to payment of a monetary obligation, whether or not earned by performance, owed to any Originator or the Seller (as assignee of an Originator), whether constituting an account, chattel paper, payment intangible, instrument or general intangible, in each instance arising in connection with the sale of goods that have been or are to be sold or for services rendered or to be rendered, and includes, without limitation, the obligation to pay any finance charges, fees and other charges with respect thereto; provided, however, that “Receivable” shall not include any such right to payment of a monetary obligation that is an Excluded Receivable. Any such right to payment arising from any one transaction, including, without limitation, any such right to payment represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of any such right to payment arising from any other transaction.

“Receivables Pool” means, at any time of determination, all of the then outstanding Receivables (including both Sold Receivables and Unsold Receivables) transferred (or purported to be transferred) to the Seller pursuant to the Purchase and Sale Agreement prior to the Termination Date (other than a Receivable that has been repurchased or retransferred to an Originator pursuant to, and in accordance with, the Transaction Documents).

“Register” has the meaning set forth in Section 14.03(c).

“Related Committed Purchaser” means with respect to any Conduit Purchaser, each Committed Purchaser listed as such for each Conduit Purchaser as set forth on the signature pages of this Agreement or in any Assumption Agreement.

“Related Conduit Purchaser” means, with respect to any Committed Purchaser, each Conduit Purchaser which is, or pursuant to any Assignment and Acceptance Agreement or Assumption Agreement or otherwise pursuant to this Agreement becomes, included as a Conduit Purchaser in such Committed Purchaser’s Group, as designated on its signature page hereto or in such Assignment and Acceptance Agreement, Assumption Agreement or other agreement executed by such Committed Purchaser, as the case may be.

“Related Rights” has the meaning set forth in Section 1.1 of the Purchase and Sale Agreement.

“Related Security” means, with respect to any Receivable:

(a) all of the Seller’s and each Originator’s interest in any goods (including Returned Goods), and documentation of title evidencing the shipment or storage of any goods (including Returned Goods), the sale of which gave rise to such Receivable;

(b) all instruments and chattel paper that may evidence such Receivable;

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the

Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto;

(d) all of the Seller's and each Originator's rights, interests and claims under the related Contracts and all guaranties, indemnities, insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise; and

(e) all of the Seller's rights, interests and claims under the Purchase and Sale Agreement and the other Transaction Documents.

"Release" has the meaning set forth in Section 4.01(a).

"Representatives" has the meaning set forth in Section 14.06(c).

"Requested Facility Limit Increase" has the meaning set forth in Section 2.07.

"Required Capital Amount" means \$60,000,000.

"Restricted Payments" has the meaning set forth in Section 8.01(r).

"Returned Goods" means all right, title and interest in and to returned, repossessed or foreclosed goods and/or merchandise the sale of which gave rise to a Receivable; provided that such goods shall no longer constitute Returned Goods after a Deemed Collection has been deposited in a Blocked Account with respect to the full Outstanding Balance of the related Receivables.

"S&P" means S&P Global Ratings, and any successor thereto that is a nationally recognized statistical rating organization.

"Sale Date" means each of the following: (a) the Sixth Amendment Effective Date, (b) the date of each Investment, (c) the last day of each calendar month unless the Seller has (in its discretion) notified the Administrative Agent and each Group Agent in writing that such day shall not be a Sale Date, and (d) each other day (if any) designated as a "Sale Date" by the Seller in its discretion by prior written notice thereof to the Administrative Agent and each Group Agent; provided, however, that no Sale Date shall occur on or after the Termination Date.

"Sanctioned Country" means, at any time, a country or territory which is the subject or target of any comprehensive territorial Sanctions.

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the United Nations Security Council, or the European Union, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the Office of Foreign Asset Control of the U.S. Department of Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Scheduled Termination Date" means July 28, 2023, as such date may be extended from time to time pursuant to Section 2.02(g).

“Scheduled Unavailability Date” has the meaning set forth in Section 5.06(b)(ii).

“SEC” means the U.S. Securities and Exchange Commission or any governmental agencies substituted therefor.

“Secured Parties” means each Purchaser Party, each Seller Indemnified Party and each Affected Person.

“Securities Act” means the Securities Act of 1933, as amended or otherwise modified from time to time.

“Seller” has the meaning specified in the preamble to this Agreement.

“Seller Collateral” has the meaning set forth in Section 15.09.

“Seller Guaranty” has the meaning set forth in Section 15.01.

“Seller Indemnified Amounts” has the meaning set forth in Section 13.01(a).

“Seller Indemnified Party” has the meaning set forth in Section 13.01(a).

“Seller Obligations” means all present and future indebtedness, reimbursement obligations, and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Seller to any Purchaser Party, Seller Indemnified Party and/or any Affected Person, arising under or in connection with this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, and shall include, without limitation, all obligations of the Seller in respect of the Seller Guaranty and the payment of all Capital, Yield, Fees, Erroneous Payment Subrogation Rights, and other amounts due or to become due under the Transaction Documents (whether in respect of fees, costs, expenses, indemnifications or otherwise), including, without limitation, interest, fees and other obligations that accrue after the commencement of any Insolvency Proceeding with respect to the Seller (in each case whether or not allowed as a claim in such proceeding).

“Seller Obligation Final Due Date” means the date that (i) is one hundred eighty (180) days following the Scheduled Termination Date or (ii) such earlier date on which the Aggregate Capital becomes due and payable pursuant to Section 10.01.

“Seller’s Net Worth” means, at any time of determination, an amount equal to (i) the Outstanding Balance of all Pool Receivables at such time, minus (ii) the sum of (A) the Aggregate Capital at such time, plus (B) the Aggregate Yield at such time, plus (C) the aggregate accrued and unpaid Fees at such time, plus (D) the aggregate outstanding principal balance of all Subordinated Notes at such time, plus (E) the aggregate accrued and unpaid interest on all Subordinated Notes at such time, plus (F) without duplication, the aggregate accrued and unpaid other Seller Obligations at such time.

“Servicer” has the meaning set forth in the preamble to this Agreement.

“Servicer Indemnified Amounts” has the meaning set forth in Section 13.02(a).

“Servicer Indemnified Party” has the meaning set forth in Section 13.02(a).

“Servicing Fee” means the fee referred to in Section 9.06(a) of this Agreement.

“Servicing Fee Rate” means the rate referred to in Section 9.06(a) of this Agreement.

“Settlement Date” means with respect to any Portion of Capital for any Yield Period or any Yield or Fees, (i) so long as no Event of Termination or Non-Reinvestment Event has occurred and is continuing and the Termination Date has not occurred, the Monthly Settlement Date and (ii) on and after the Termination Date or if an Event of Termination or Non-Reinvestment Event has occurred and is continuing, each day selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) (it being understood that the Administrative Agent (with the consent or at the direction of the Majority Group Agents) may select such Settlement Date to occur as frequently as daily), or, in the absence of such selection, the Monthly Settlement Date.

“Significant Subsidiary” means, at any time, any Subsidiary of Parent which accounts for more than 5% of consolidated total assets or 5% of consolidated revenue of Parent determined in accordance with GAAP.

“Single Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (a) is maintained for employees of Parent or any ERISA Affiliate and no Person other than Parent and its ERISA Affiliates or (b) was so maintained and in respect of which Parent or an ERISA Affiliate could have liability under Section 4062 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Sixth Amendment” means that certain Sixth Amendment to the Receivables Purchase Agreement, dated as of the Sixth Amendment Effective Date, among the Seller, the Purchasers, the Group Agents, the Administrative Agent and the Servicer.

“Sixth Amendment Effective Date” means August 21, 2019.

“SOFR” means, for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Adjustment” means ten basis points (0.10%).

“SOFR Floor” means a rate of interest per annum equal to zero basis points (0.00%).

“Sold Assets” has the meaning set forth in Section 2.01(b).

“Sold Receivables” means, collectively, (i) the Pool Receivables specified as “Sold Receivables” on the Initial Schedule of Sold Receivables, (ii) all additional Pool Receivables specified as “Sold Receivables” on the Investment Requests delivered with respect to all subsequent Investments made hereunder and (iii) all additional Pool Receivables designated as “Sold Receivables” and transferred by the Seller pursuant to Section 2.01(b) in connection with a Release as contemplated by the first paragraph in Section 4.01(a).

“Solvent” means, with respect to any Person and as of any particular date, (i) the present fair market value (or present fair saleable value) of the assets of such Person is not less than the total amount required to pay the probable liabilities of such Person on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured, (ii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (iii) such Person is not incurring debts or liabilities beyond its ability to pay such debts and liabilities as they mature and (iv) such Person is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged. The amount of contingent liabilities at any time shall be computed as the

amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Structuring Agent” means PNC Capital Markets LLC, a Pennsylvania limited liability company.

“Subordinated Note” has the meaning set forth in the Purchase and Sale Agreement.

“Sub-Servicer” has the meaning set forth in Section 9.01(d).

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a “qualifying share” of the former Person shall be deemed to be outstanding.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority and all interest, penalties, additions to tax and any similar liabilities with respect thereto.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Rate” shall mean, with respect to any amount for which the Term SOFR Reference Rate applies, for any day in any Yield Period, the interest rate per annum determined by the applicable Group Agent equal to the Term SOFR Reference Rate for a term of one month on the day (the “Term SOFR Determination Date”) that is two (2) Business Days prior to the first day of such Yield Period, as such rate is published by the Term SOFR Administrator. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate, for purposes of clause (A) in the preceding sentence, shall be the Term SOFR Reference Rate for such tenor on the first Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than the SOFR Floor, then the Term SOFR Rate shall be deemed to be the SOFR Floor.

“Term SOFR Reference Rate” shall mean the forward-looking term rate based on SOFR.

“Termination Date” means the earliest to occur of (a) the Scheduled Termination Date, (b) the date on which the “Termination Date” is declared or deemed to have occurred under Section 3.01 or Section 10.01, (c) the occurrence of a Purchase and Sale Termination Event under the Purchase and Sale Agreement or (d) the date selected by the Seller on which all Commitments have been reduced to zero pursuant to Section 2.02(e).

“Total Reserves” means, at any time of determination, an amount equal to the product of (i) the sum of: (a) the Yield Reserve Percentage, plus (b) the greater of (I) the sum of the Concentration Reserve Percentage plus the Minimum Dilution Reserve Percentage and (II) the

sum of the Loss Reserve Percentage plus the Dilution Reserve Percentage, times (ii) the Net Receivables Pool Balance at such time.

“Transaction Documents” means this Agreement, the Purchase and Sale Agreement, the Account Control Agreements, the Fee Letter, the Excluded Obligor Letter Agreement, each Subordinated Note, the Performance Guaranty and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement.

“Transaction Information” means any information provided to any Rating Agency, in each case, to the extent related to such Rating Agency providing or proposing to provide a rating of any Notes or monitoring such rating including, without limitation, information in connection with the Seller, the Originator, the Servicer or the Receivables.

“U.S. Government Securities Business Day” means any day except for (A) a Saturday, (B) a Sunday or (C) 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.

“U.S. Obligor” means an Obligor that is a corporation or other business organization and is organized under the laws of the United States of America (or of a United States of America territory, district, state, commonwealth, or possession, including, without limitation, Puerto Rico and the U.S. Virgin Islands) or any political subdivision thereof.

“U.S. Tax Compliance Certificate” has the meaning set forth in Section 5.03(f)(ii)(B)(3).

“UCC” means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

“Unbilled Receivable” means, at any time, any Receivable as to which the invoice or bill with respect thereto has not yet been sent to the Obligor thereof.

“Unmatured Event of Termination” means an event that but for notice or lapse of time or both would constitute an Event of Termination.

“Unmatured Non-Reinvestment Event” means an event that but for notice or lapse of time or both would constitute a Non-Reinvestment Event.

“Unsold Receivables” means, at any time, all Pool Receivables that are not then Sold Receivables.

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Yield” means an amount payable to each Purchaser in respect of its Capital accruing on each day when such Purchaser has Capital outstanding, which amount for any Purchaser’s Capital (or portion thereof) for any day during any Yield Period (or portion thereof) is the amount accrued on such Capital (or portion thereof) during such Yield Period (or portion thereof) in accordance with Section 2.03(b).

“Yield Period” means, with respect to any Purchaser’s Capital (or any portion thereof), (a) before the Termination Date: (i) initially, the period commencing on the date of the Investment pursuant to which such Capital (or portion thereof) is funded by a Purchaser to the Seller pursuant to Section 2.01 (or in the case of any fees payable hereunder, commencing on the Closing Date) and ending on (but not including) the last day of such calendar month and (ii) thereafter, each calendar month and (b) on and after the Termination Date, such period (including a period of one day) as shall be selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) or, in the absence of any such selection, each period of 30 days from the last day of the preceding Yield Period.

“Yield Rate” means, for any day in any Yield Period for any Purchaser’s Capital (or any portion thereof): (a) if such Capital (or Portion of Capital) is CP Rate Capital, the CP Rate or (b) if such Capital (or Portion of Capital) is not CP Rate Capital, either the sum of (x) Term SOFR Rate plus the SOFR Adjustment or (y) Daily 1M SOFR plus the SOFR Adjustment, as determined pursuant to Section 2.05; provided, however, that the “Yield Rate” for any Purchaser’s Capital (or any portion thereof) on any day while an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing shall be an interest rate per annum equal the sum of 2.00% per annum plus the greater of (i) the rate per annum determined for such Capital (or such portion thereof) and such day and (ii) the Base Rate in effect on such day; provided, further, 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; and provided, further, that Yield for any Capital (or such portion thereof) shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

“Yield Reserve Percentage” means at any time of determination:

$$\frac{1.50 \times \text{DSO} \times (\text{BR} + \text{SFR})}{360}$$

where:

BR = the Base Rate;

DSO = the Days’ Sales Outstanding for the most recently ended Fiscal Month; and

SFR = the Servicing Fee Rate;

Section 1.02 Other Interpretative Matters. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York and not specifically defined herein, are used herein as defined in such Article 9. For purposes of this Agreement, the other Transaction Documents and all such certificates and other documents, unless the context otherwise requires: (a) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; (b) the words “hereof,” “herein” and “hereunder” and words of similar import refer to such agreement (or the certificate or other document in which they are used) as a whole and not to any particular provision of such agreement (or such certificate or document); (c) references to any Article, Section, Schedule, Exhibit or Annex are references to Articles, Sections, Schedules, Exhibits and Annexes in or to such agreement (or the certificate or other document in which the reference is made), and references to any paragraph, subsection, clause or other subdivision within any Section or definition refer to such paragraph, subsection, clause or other subdivision of such Section or definition; (d) the term “including” means “including without limitation”; (e) references to any Applicable Law refer to that Applicable Law as

amended from time to time and include any successor Applicable Law; (f) references to any agreement refer to that agreement as from time to time amended, restated or supplemented or as the terms of such agreement are waived or modified in accordance with its terms; (g) references to any Person include that Person's permitted successors and assigns; (h) headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof; (i) unless otherwise provided, in the calculation of time from a specified date to a later specified date, the term "from" means "from and including", and the terms "to" and "until" each means "to but excluding"; (j) terms in one gender include the parallel terms in the neuter and opposite gender; (k) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day and (l) the term "or" is not exclusive.

Section 1.03 Re-transfer of Certain Receivables. On the Sixth Amendment Effective Date, concurrently with the effectiveness of the Sixth Amendment on a one-time basis, the Administrative Agent and the Purchasers hereby sell, transfer and assign to the Seller, and the Seller hereby purchases and assumes, all their respective right, title and interest in, to and under the Pool Receivables that are both in existence on the Sixth Amendment Effective Date and not specified as "Sold Receivables" on the Initial Schedule of Sold Receivables, together with all Related Security with respect thereto. In consideration for such sale, transfer and assignment, any and all obligations (including any payment obligations) of the Administrative Agent and any Purchaser, and any rights of the Seller, in respect of any Deferred Purchase Price under (and as defined in) this Agreement prior to the Sixth Amendment Effective Date are hereby irrevocably terminated and extinguished, and such Deferred Purchase Price shall be deemed to have been paid in full for all purposes. For the avoidance of doubt, the foregoing shall not derogate from the Seller's grant of a security interest in the foregoing re-transferred Receivables and Related Security pursuant to Section 15.09 hereof. The sale, transfer and assignment pursuant to this Section shall be not be construed to limit, or otherwise derogate from, any of the Administrative Agent's or the Purchaser's rights and interests (including any security interests), or any obligations or liabilities of the Seller or the Servicer (or any of their Affiliates), in either case, in, in respect of or with respect to any Unsold Receivables (including such re-transferred Receivables) or Related Security under this Agreement and the other Transaction Documents.

Section 1.04 Conforming Changes Relating to Daily 1M SOFR and the Term SOFR Rate. With respect to Daily 1M SOFR and the Term SOFR Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; provided that, with respect to any such amendment effected, the Administrative Agent shall provide notice to the Seller and each Group Agent of each such amendment implementing such Conforming Changes reasonably promptly after such amendment becomes effective.

TERMS OF THE PURCHASES AND INVESTMENTS

Section 1.05 Purchase Facility.

(a) *Investments*. Upon a request by the Seller pursuant to Section 2.02, and on the terms and subject to the conditions hereinafter set forth, the Conduit Purchasers, ratably, in accordance with the aggregate of the Commitments of the Related Committed Purchasers with respect to each such Conduit Purchaser, severally and not jointly, may, in their sole discretion, make payments of Capital to the Seller on a revolving basis, and if and to the extent any Conduit Purchaser does not make any such payment of Capital or if any Group does not include a Conduit Purchaser, the Related Committed Purchaser(s) for such Conduit Purchaser or the

Committed Purchaser for such Group, as the case may be, shall, ratably in accordance with their respective Commitments, severally and not jointly, make such payment of Capital to the Seller, in either case, from time to time during the period from the Sixth Amendment Effective Date to (and not including) the Termination Date. Each such payment of Capital by a Purchaser to the Seller shall constitute an Investment hereunder for all purposes. Under no circumstances shall any Purchaser be obligated to make any Investment if, after giving effect thereto:

- (i) the Aggregate Capital would exceed the Facility Limit at such time;
- (ii) the sum of (A) the Capital of such Purchaser, plus (B) the aggregate outstanding Capital of each other Purchaser in its Group, would exceed the Group Commitment of such Purchaser's Group;
- (iii) if such Purchaser is a Committed Purchaser, the aggregate outstanding Capital of such Committed Purchaser would exceed its Commitment; or
- (iv) the Aggregate Capital would exceed the Capital Coverage Amount at such time.

(b) *Sale of Receivables and Other Sold Assets.* In consideration of the Purchasers' respective agreements to make Investments in accordance with the terms hereof, the Seller, on each Sale Date, hereby sells, assigns and transfers to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder), all of the Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising (collectively, the "Sold Assets"): (i) all Sold Receivables, (ii) all Related Security with respect to such Sold Receivables, (iii) all Collections with respect to such Sold Receivables and (iv) all proceeds of the foregoing. Such sales, assignments and transfers by the Seller shall, in each case, occur and be deemed to occur for all purposes in accordance with the terms hereof automatically without further action, notice or consent of any party.

(c) *Intended Characterization as a Purchase and Sale.* It is the intention of the parties to this Agreement that the transfer and conveyance of the Seller's right, title and interest in, to and under the Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder) on each Sale Date pursuant to this Agreement shall constitute a purchase and sale and not a pledge for security, and such purchase and sale of the Sold Assets hereunder shall be treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14). For the avoidance of doubt, this clause (c) shall not be construed to limit or otherwise modify Section 5.05 or any rights, interests, liabilities or obligations of any party thereunder.

(d) *Obligations Not Assumed.* Notwithstanding any provision contained in this Agreement or any other Transaction Document to the contrary, the foregoing sales, assignments, transfers and conveyances set forth in Section 2.01(b) do not constitute, and are not intended to result in, the creation or an assumption by the Administrative Agent, any Group Agent or any Purchaser of any obligation or liability of the Seller, any Originator, the Servicer, or any other Person under or in connection with all, or any portion of, any Sold Assets, all of which shall remain the obligations and liabilities of the Seller, the Originators, the Servicer and such other Persons, as applicable.

(e) *Selection, Designation and Reporting of Sold Receivables.* The Seller (or the Servicer on its behalf) shall select and identify from the Pool Receivables all Sold Receivables to be sold pursuant to Section 2.01(b) in its sole discretion; provided, however, that

(i) the Seller shall ensure that each Sold Receivable is an Eligible Receivable on the date when first included as a Sold Receivable, (ii) the Seller shall select Sold Receivables from the Pool Receivables on an invoice-by-invoice basis, and the Seller shall transfer pursuant to Section 2.01(b) 100% of its interest in any invoice that reflects Sold Receivables, such that all Receivables reflected or evidenced by such an invoice shall be included as Sold Receivables, and (iii) the Seller shall not permit the aggregate Outstanding Balance of Sold Receivables to exceed the Aggregate Capital at any time. The Seller shall maintain (or cause the Servicer to maintain) books and records sufficient to readily identify the Sold Receivables. The Seller and Servicer shall cause all Sold Receivables to be identified on each Investment Request in accordance with Section 2.02(a) and on each Information Package delivered hereunder.

Section 1.06 Making Investments; Return of Capital

(a) . (a) Each Investment hereunder shall be made on at least three (3) Business Days' prior written request from the Seller to the Administrative Agent and each Group Agent in the form of an Investment Request attached hereto as Exhibit A; provided, however, that with respect to any Investment occurring on or within three (3) Business Days of the Closing Date, such request may be delivered to the Administrative Agent and each Group Agent on the Closing Date. Each such request for an Investment shall be made no later than 1:00 p.m. (New York City time) on a Business Day (it being understood that any such request made after such time shall be deemed to have been made on the following Business Day) and shall specify (i) the amount of Capital requested which amount shall (x) not be less than \$100,000 and shall be an integral multiple thereof and (y) not cause the aggregate Outstanding Balance of all Sold Receivables (after giving effect to the addition of Pool Receivables to the Sold Receivables in connection with such Investment) to exceed the Aggregate Capital, (ii) the allocation of such amount among the Groups (which shall be ratable based on the Group Commitments), (iii) the account to which the Capital of such Investment shall be distributed, (iv) the date such requested Investment is to be made (which shall be a Business Day) and (v) all Pool Receivables that are or, effective upon the making of such Investment, will be, Sold Receivables.

(b) On the date of each Investment specified in the applicable Investment Request, the Purchasers shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, make available to the Seller in same day funds an aggregate amount equal to the amount of Capital requested, at the account set forth in the related Investment Request.

(c) Each Committed Purchaser's obligation shall be several, such that the failure of any Committed Purchaser to make available to the Seller any funds in connection with any Investment shall not relieve any other Committed Purchaser of its obligation, if any, hereunder to make funds available on the date such Investments are requested (it being understood, that no Committed Purchaser shall be responsible for the failure of any other Committed Purchaser to make funds available to the Seller in connection with any Investment hereunder).

(d) The Seller shall return in full the outstanding Capital of each Purchaser on the Seller Obligation Final Due Date. Prior thereto, the Seller shall, on each Settlement Date, reduce the outstanding Capital of the Purchasers to the extent required under Section 4.01 and otherwise in accordance with such Section 4.01 (subject to the priorities for payment set forth therein) by paying the amount of such reduction to the Administrative Agent on behalf of the Purchasers in accordance with Section 4.02. Notwithstanding the foregoing, the Seller, in its discretion, shall have the right to reduce, in whole or in part by payment in accordance with Section 4.02, the outstanding Capital of the Purchasers on any Business Day upon one (1) Business Day's prior written notice thereof to the Administrative Agent and each Group Agent in the form of a Reduction Notice attached hereto as Exhibit E; provided, however, that (i) each such reduction shall be in a minimum aggregate amount of \$100,000 and shall be an integral

multiple thereof and (ii) no such reduction shall reduce the Aggregate Capital to an amount less than the Minimum Funding Threshold; provided, however that notwithstanding the foregoing, (1) a reduction may be in an amount necessary to reduce any Capital Coverage Deficit existing at such time to zero, and (2) any accrued Yield and Fees in respect of the portion(s) of Capital so reduced shall be paid in full on the immediately following Settlement Date.

(e) The Seller may, at any time upon at least thirty (30) days' prior written notice to the Administrative Agent and each Group Agent, terminate the Facility Limit in whole or ratably reduce the Facility Limit in part. Each partial reduction in the Facility Limit shall be in a minimum aggregate amount of \$5,000,000 or integral multiples of \$1,000,000 in excess thereof, and no such partial reduction shall reduce the Facility Limit to an amount less than \$100,000,000. In connection with any partial reduction in the Facility Limit, the Commitment of each Committed Purchaser shall be ratably reduced.

(f) In connection with any reduction of the Commitments, the Seller shall remit to the Administrative Agent (i) instructions regarding such reduction and (ii) for payment to the Purchasers, cash in an amount sufficient to pay (A) Capital of Purchasers in each Group in excess of the Group Commitment of such Group and (B) all other outstanding Seller Obligations with respect to such reduction (determined based on the ratio of the reduction of the Commitments being effected to the amount of the Commitments prior to such reduction or, if the Administrative Agent reasonably determines that any portion of the outstanding Seller Obligations is allocable solely to that portion of the Commitments being reduced or has arisen solely as a result of such reduction, all of such portion) including, without duplication, any associated Breakage Fees. Upon receipt of any such amounts, the Administrative Agent shall apply such amounts first to the reduction of the outstanding Capital, and second to the payment of the remaining outstanding Seller Obligations with respect to such reduction, including any Breakage Fees, by paying such amounts to the Administrative Agent on behalf of the Purchasers.

(g) Provided that no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, the Seller may from time to time advise the Administrative Agent and each Group Agent in writing of its desire to extend the Scheduled Termination Date for an additional one-year period; provided that such request is made not more than two hundred and ten (210) days prior to, and not less than sixty (60) days prior to, the then current Scheduled Termination Date. The Administrative Agent and each Committed Purchaser (or its Group Agent on its behalf) shall notify the Seller and the Administrative Agent in writing whether or not such Person is agreeable to such extension (it being understood that the Administrative Agent and the Committed Purchasers may accept or decline such a request in their sole discretion and on such terms as they may elect) not more than sixty (60) days after receiving the Seller's request to extend the Scheduled Termination Date; provided, however, that if the Administrative Agent or any Committed Purchaser fails to so notify the Seller and the Administrative Agent, the Administrative Agent or such Committed Purchaser, as the case may be, shall be deemed to have declined such extension. In the event that the Administrative Agent and one or more Committed Purchasers have so notified the Seller and the Administrative Agent in writing that they are agreeable to such extension, the Seller, the Servicer, the Administrative Agent, the applicable Group Agents and the applicable Committed Purchasers shall enter into such documents as the Administrative Agent, the applicable Group Agents and the applicable Committed Purchasers may deem necessary or appropriate to effect such extension, and all reasonable and documented out-of-pocket costs and expenses incurred by the Administrative Agent, the applicable Group Agents and the applicable Committed Purchasers in connection therewith (including Attorney Costs) shall be paid by the Seller. In the event any Committed Purchaser declines such request to extend the Scheduled Termination Date or is deemed to have declined such extension, such Committed Purchaser shall be an "Exiting Purchaser" and such Committed Purchaser's Group shall be an "Exiting Group" for all purposes of this Agreement.

Section 1.07 Yield and Fees.

(a) On each Settlement Date, the Seller shall, in accordance with the terms and priorities for payment set forth in Section 4.01, pay to each Group Agent, each Purchaser, the Administrative Agent and the Structuring Agent certain fees (collectively, the “Fees”) in the amounts set forth in the fee letter agreements from time to time entered into, among the Seller, the members of the applicable Group (or their Group Agent on their behalf) and/or the Administrative Agent or the Structuring Agent (each such fee letter agreement, as amended, restated, supplemented or otherwise modified from time to time, collectively being referred to herein as the “Fee Letter”). Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of any Defaulting Purchaser as provided in Section 2.06.

(b) Each Purchaser’s Capital shall accrue Yield on each day when such Capital remains outstanding at the then applicable Yield Rate for such Capital (or each applicable portion thereof). The Seller shall pay all Yield, Fees and Breakage Fees accrued during each Yield Period on each Settlement Date in accordance with the terms and priorities for payment set forth in Section 4.01.

Section 1.08 Records of Investments and Capital. Each Group Agent shall record in its records, the date and amount of each Investment made by the Purchasers in its Group hereunder, the Yield Rate with respect to the related Capital (and each portion thereof), the Yield accrued on such Purchasers’ Capital and each repayment and payment thereof. Subject to Section 14.03(c), such records shall be conclusive and binding absent manifest error. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Seller hereunder or under the other Transaction Documents to repay the Capital of each Purchaser, together with all Yield accruing thereon and all other Seller Obligations.

Section 1.09 Selection of Yield Rates. As of the Closing Date, each Purchaser has designated the type of Yield Rate for all Investments (other than CP Rate Capital) made by such Purchaser as one of (i) the Term SOFR Rate or (ii) Daily 1M SOFR (each, a “Purchaser Designated Reference Rate”). Each Purchaser may from time to time after the Closing Date, elect to change or continue the Purchaser Designated Reference Rate borne by each Investment made by such Purchaser by notice to the Seller not later than 11:00 a.m. (New York City time), one (1) Business Day prior to the beginning of any Yield Period. As of July 29, 2022: (a) Daily 1M SOFR is the Purchaser Designated Reference Rate for each Purchaser in the Group for which PNC Bank, National Association is the Group Agent, for each Purchaser in the Group for which The Bank of Nova Scotia is the Group Agent and for each Purchaser in the Group for which The Toronto Dominion Bank is the Group Agent and (b) Term SOFR Rate is the Purchaser Designated Reference Rate for each Purchaser in the Group for which Wells Fargo Bank, National Association is the Group Agent, for each Purchaser in the Group for which Mizuho Bank, Ltd. is the Group Agent and for each Purchaser in the Group for which MUFG Bank, Ltd. is the Group Agent.

Section 1.10 Defaulting Purchasers and Exiting Purchasers. Notwithstanding any provision of this Agreement to the contrary, if any Purchaser becomes a Defaulting Purchaser or an Exiting Purchaser, then the following provisions shall apply for so long as such Purchaser is a Defaulting Purchaser or an Exiting Purchaser; provided, however, that only clause (d) below shall apply to an Exiting Purchaser that is not also a Defaulting Purchaser:

(a) Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Purchaser.

(b) The Commitment and Capital of such Defaulting Purchaser shall not be included in determining whether the Majority Group Agents have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 14.01); *provided*, that, except as otherwise provided in Section 14.01, this clause (b) shall not apply to the vote of a Defaulting Purchaser in the case of an amendment, waiver or other modification requiring the consent of such Purchaser or each Purchaser directly affected thereby (if such Purchaser is directly affected thereby).

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

(d) At any time there is more than one Purchaser, the Seller shall be permitted to replace any Purchaser that becomes a Defaulting Purchaser or an Exiting Purchaser; *provided, however*, that the Seller shall be permitted to replace any Purchaser 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 payable to the Administrative Agent hereunder and under each of the other Transaction Documents; *provided further* that (i) such replaced Purchaser shall have received payment of an amount equal to the aggregate outstanding Capital of such Purchaser, accrued Yield thereon, accrued fees and all other amounts payable to it hereunder and under the other Transaction Documents (including any amounts under Section 5.02) from the assignee (to the extent of such outstanding Capital and accrued Yield and fees, excluding Breakage Fees) or the Seller (in the case of all other amounts, including Breakage Fees), (ii) the replacement financial institution shall be reasonably satisfactory to the Administrative Agent, and (iii) any such replacement shall not be deemed to be a waiver of any rights that the Seller, the Administrative Agent or any other Purchaser shall have against the replaced Purchaser.

Section 1.11 Increase in Facility Limit. Provided that no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, upon notice to the Administrative Agent and each Group Agent, the Seller may request on a one-time basis that each of the Committed Purchasers ratably increase their respective Commitments, in an aggregate amount such that after giving effect thereto the Facility Limit shall not exceed \$1,000,000,000; *provided*, that such request for an increase shall be in a minimum amount of \$50,000,000. At the time of sending such notice with respect to the Committed Purchasers, the Seller (in consultation with the Administrative Agent) shall specify (i) the aggregate amount of such increase (such amount, the "Requested Facility Limit Increase") and (ii) the time period within which the Committed Purchasers are requested to respond to the Seller's request (which shall in no event be less than thirty (30) days from the date of delivery of such notice to the Administrative Agent). Each of the Committed Purchasers shall notify the Administrative Agent, the Seller and the Servicer within the applicable time period (which shall not be less than thirty (30) days) whether or not such Committed Purchaser agrees, in its sole discretion, to make such ratable increase to such Committed Purchaser's Commitment or otherwise agrees to any lesser increase in its Commitment. Any Committed Purchaser not responding within such time period shall be deemed to have declined to consent to an increase in such Committed Purchaser's Commitment. In the event that one or more Committed Purchasers

fails to consent to all or any portion of any such request for an increase in its Commitment, the Seller may (in consultation with the Administrative Agent) request that any unaccepted portion of the requested increases in Commitments be allocated to one or more willing Committed Purchaser as agreed in writing among the Seller, the Administrative Agent (and if such willing Committed Purchaser is not then a party to the Agreement, the Majority Group Agents) and such willing Committed Purchasers (in each case, in their sole discretion), such that such Committed Purchasers increase in their Commitment exceeds such Committed Purchaser's ratable share. Any such Committed Purchaser may agree, in its sole discretion, to such increase in its Commitment. If the Commitment of any Committed Purchaser is increased in accordance with this Section 2.07, the Administrative Agent, the Group Agents, the Committed Purchaser, the Seller and the Servicer shall determine the effective date with respect to such increase and shall enter into such documents as agreed to by such parties to document such increase and, if applicable, rebalance Capital among the Purchasers such that after giving effect thereto, the aggregate outstanding Capital of the Purchasers in each Group is distributed ratably among the Groups.

NON-REINVESTMENT EVENTS

Section 1.12 Non-Reinvestment Events. If any of the following events (each a "Non-Reinvestment Event") shall occur:

- (a) as of the end of any Fiscal Month, the average for three consecutive Fiscal Months of: (A) the Default Ratio shall exceed 4.00%, (B) the Delinquency Ratio shall exceed ~~18.00~~16.00% or (C) the Dilution Ratio shall exceed ~~14.00~~12.00%;
- (b) as of the end of any Fiscal Month, the Days' Sales Outstanding shall exceed 70 days; or
- (c) the occurrence of a Ratings Event;

then, and in any such event, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Seller declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred).

SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS

Section 1.13 Settlement Procedures.

(a) The Servicer shall hold in trust for the benefit of the Secured Parties (or, if so requested by the Administrative Agent during the continuance of an Event of Termination or a Non-Reinvestment Event, 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 Pool Receivables that are received by the Servicer or the Seller or received in any Blocked Account, Lock-Box or Collection Account; provided, however, that so long as each of the conditions precedent set forth in Section 6.03 are satisfied on such date, the Servicer may release to the Seller from such Collections received on Unsold Receivables the amount (if any) necessary to pay (x) the purchase price for Receivables purchased by the Seller on such date in accordance with the terms of the Purchase and Sale Agreement or (y) amounts owing by the Seller 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 Blocked Account, the Administrative Agent) shall, distribute such Collections in the following order of priority:

(i) first, prior to the occurrence of the Termination Date, to the Servicer for the payment of the accrued Servicing Fees payable for the immediately preceding Yield Period (plus, if applicable, the amount of Servicing Fees payable for any prior Yield Period to the extent such amount has not been distributed to the Servicer);

(ii) second, to the Administrative Agent for distribution to each Group Agent ratably according to the aggregate outstanding Capital of each Purchaser in each such Group Agent's Group (for the benefit of the relevant Purchasers in such Group Agent's Group), all accrued and unpaid Yield, Fees and Breakage Fees due to such Purchaser and other Purchaser Party for the immediately preceding Yield Period (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments), plus, if applicable, the amount of any such Yield, Fees and Breakage Fees (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments) payable for any prior Yield Period to the extent such amount has not been distributed to such Purchaser or Purchaser Party;

(iii) third, as set forth in clause (x), (y) or (z) below, as applicable:

(x) prior to the occurrence of the Termination Date, to the extent that a Capital Coverage Deficit exists on such date, to the Administrative Agent for distribution to each Group Agent ratably according to the aggregate outstanding Capital of each Purchaser in each such Group Agent's Group (for the benefit of the relevant Purchasers in such Group Agent's Group) for the return of a portion of the outstanding Aggregate Capital at such time, in an aggregate amount equal to the amount necessary to reduce the Capital Coverage Deficit to zero (\$0);

(y) on and after the occurrence of the Termination Date, to the Administrative Agent for distribution to each Group Agent ratably according to the aggregate outstanding Capital of each Purchaser in each such Group Agent's Group (for the benefit of the relevant Purchasers in such Group Agent's Group) for the return in full of the aggregate outstanding Capital of such Purchaser at such time; or

(z) prior to the occurrence of the Termination Date, at the election of the Seller and in accordance with Section 2.02(d), to the Administrative Agent for distribution to each Group Agent ratably according to the aggregate outstanding Capital of each Purchaser in each such Group Agent's Group (for the benefit of the relevant Purchasers in such Group Agent's Group) for the return of all or any portion of the outstanding Capital of the Purchasers at such time;

(iv) fourth, to the Administrative Agent for distribution to the Purchaser Parties that are then members of an Exiting Group (ratably, based on the amount due and owing at such time), for the payment of all other Seller Obligations then due and owing by the Seller to such Purchaser Parties;

(v) fifth, to the Administrative Agent for distribution to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties (ratably, based on the amount due and owing at such time), for the payment of all other Seller Obligations then

due and owing by the Seller to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties;

(vi) sixth, at any time after the occurrence of the Termination Date, to the Servicer for the payment of the accrued Servicing Fees payable for the immediately preceding Yield Period (plus, if applicable, the amount of Servicing Fees payable for any prior Yield Period to the extent such amount has not been distributed to the Servicer) to the extent not paid pursuant to clause (i); and

(vii) seventh, the balance, if any, to be paid to the Seller for its own account.

Amounts payable pursuant to clauses (i) through (vi) above shall be paid first from available Collections on Sold Receivables and other Sold Assets, and second, to the extent necessary in order to make all such payments in full, from Collections on Unsold Receivables and other Seller Collateral. The Seller's right to receive payments (if any) from time to time pursuant to clause (vii) above shall, to the extent arising from Collections on Sold Receivables, constitute compensation to the Seller for the Seller's provision of the Seller Guaranty and the Purchaser Parties' interests in the Seller Collateral.

(b) All payments or distributions to be made by the Servicer, the Seller and any other Person to the Purchasers (or their respective related Affected Persons and the Seller Indemnified Parties), shall be paid or distributed to the Administrative Agent for distribution to the applicable Group Agent on behalf of the Purchasers in such Group Agent's Group. Each Group Agent, upon its receipt of any such payments or distributions, shall distribute such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group ratably; provided that if the Administrative Agent shall have received insufficient funds to pay all of the above amounts in full on any such date, the Administrative Agent shall pay each Group Agent ratably according to the aggregate outstanding Capital of each Purchaser in each such Group Agent's Group, and each Group Agent shall pay such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group in accordance with the priority of payments forth above, and with respect to any such category above for which there are insufficient funds to pay all amounts owing on such date, ratably (based on the amounts in such categories owing to each such Person in such Group) among all such Persons in such Group entitled to payment thereof. Notwithstanding anything to the contrary set forth in this Section 4.01, the Administrative Agent shall have no obligation to distribute or pay any amount under this Section 4.01 except to the extent actually received by the Administrative Agent. Additionally, each Group Agent hereby covenants and agrees to provide timely and accurate responses to each of the Administrative Agent's requests for information necessary for the Administrative Agent to make the allocations to the Group Agents required to be made by the Administrative Agent hereunder, including the applicable account of each Group Agent for which amounts should be distributed.

(c) If and to the extent the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party shall be required for any reason to pay over to any Person (including any Obligor or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received on its behalf hereunder, such amount shall be deemed not to have been so received but rather to have been retained by the Seller and, accordingly, the Administrative Agent, such Purchaser Party, such Affected Person or such Seller Indemnified Party, as the case may be, shall have a claim against the Seller for such amount.

(d) For the purposes of this Section 4.01:

(i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any Returned Goods, defective or rejected services, or any revision, cancellation, allowance, rebate, credit memo, discount or other adjustment made by the Seller, any Originator, the Servicer or any Affiliate of the Servicer, or any setoff, counterclaim or dispute between the Seller or any Affiliate of the Seller, an Originator or any Affiliate of an Originator, or the Servicer or any Affiliate of the Servicer, and an Obligor, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment and shall pay on the next Monthly Settlement Date (or after the occurrence of an Event of Termination or a Non-Reinvestment Event that remains continuing, within one (1) Business Day from the event giving rise to such Deemed Collection) the amount of such reduction or adjustment any and all such amounts in respect thereof to a Blocked Account (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a);

(ii) if on any day any of the representations or warranties in Section 7.01 is not true with respect to any Pool Receivable, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of the full Outstanding Balance thereof and shall pay on the next Monthly Settlement Date (or after the occurrence of an Event of Termination or a Non-Reinvestment Event that remains continuing, within one (1) Business Day from the event giving rise to such Deemed Collection) the amount of such deemed Collection to a Blocked Account (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a) (Collections deemed to have been received pursuant to Section 4.01(d) are hereinafter sometimes referred to as “Deemed Collections”); and

(iii) except as provided in clauses (i) or (ii) above or otherwise required by Applicable Law or the relevant Contract, all Collections received from an Obligor of any Receivable shall be applied to the Receivables of such Obligor in the order of the age of such Receivables, starting with the oldest such Receivable, unless such Obligor designates in writing its payment for application to specific Receivables.

Section 1.14 Payments and Computations, Etc

(a) . (a) All amounts to be paid by the Seller or the Servicer to the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party hereunder shall be paid no later than noon (New York City time) on the day when due in same day funds to the account so designated by the Administrative Agent. Unless the Administrative Agent shall have received notice from the Seller prior to the date on which any payment is due to the Administrative Agent for the account of any Purchasers hereunder that the Seller (or the Servicer on its behalf) will not make such payment (including because Collections are not available therefor), the Administrative Agent may assume that the Seller has made or will make such payment on such date in accordance herewith and may (but shall not be obligated to), in reliance upon such assumption, distribute to the Group Agents the amount due. In such event, if the Seller (or the Servicer on its behalf) has not in fact made such payment, then each Group Agent severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Group Agent, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of Overnight Bank Funding Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(b) Each of the Seller and the Servicer shall, to the extent permitted by Applicable Law, pay interest on any amount not paid or deposited by it when due hereunder, at an interest rate per annum equal to 2.00% per annum above the Base Rate, payable on demand.

(c) All computations of interest under subsection (b) above and all computations of Yield, Fees and other amounts hereunder shall be made on the basis of a year of 360 days (or, in the case of amounts determined by reference to the Base Rate, 365 or 366 days, as applicable) for the actual number of days (including the first but excluding the last day) elapsed. Whenever any payment or deposit to be made hereunder shall be due on a day other than a Business Day, such payment or deposit shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of such payment or deposit.

(d) On or before the second (2nd) Business Day prior to each Settlement Date, each Group Agent shall notify the Servicer of (i) the amount of Yield accrued in respect to each related Yield Period for the Purchasers in each Group for the Receivable Pool during such Yield Period and (ii) all Fees and other amounts accrued and payable or to be paid by the Seller under this Agreement and the other Transaction Documents on the related Settlement Date.

INCREASED COSTS; FUNDING LOSSES; TAXES; ILLEGALITY AND BACK-UP SECURITY INTEREST

Section 1.15 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Affected Person (except any such reserve requirement reflected in Term SOFR);

(ii) subject any Affected Person to any Taxes (except to the extent such Taxes are Indemnified Taxes for which relief is sought under Section 5.03 or Excluded Taxes) on its Investments, Capital, loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Affected Person any other condition, cost or expense (other than Taxes) (A) affecting the Sold Assets, the Seller Collateral, this Agreement, any other Transaction Document, any Program Support Agreement, any Capital or any participation therein or (B) affecting its obligations or rights to make Investments or fund or maintain Capital;

and the result of any of the foregoing shall be to increase the cost to such Affected Person of (A) acting as the Administrative Agent, a Group Agent or a Purchaser hereunder or as a Program Support Provider with respect to the transactions contemplated hereby, (B) making any Investment or funding or maintaining any Capital (or any portion thereof) or (C) maintaining its obligation to make any Investment or to fund or maintain any Capital (or any portion thereof), in each case by an amount that the Affected Person deems to be material, or to reduce the amount of any sum received or receivable by such Affected Person hereunder, then, on the next Settlement Date occurring at least ten (10) Business Days after the request of such Affected Person (or its Group Agent), the Seller shall pay to such Affected Person such additional amount or amounts as will compensate such Affected Person for such additional costs incurred or reduction suffered; provided, that the Seller shall not be required to compensate such Affected Person pursuant to this clause (a) for any amounts incurred more than 180 days prior to the date such Affected Party notifies the Seller of such Affected Party's intention to claim compensation therefore; provided, further that, if the circumstances giving rise to such claim have a retroactive effect, then such 180 day period shall be extended to include such retroactive effect.

(b) Capital and Liquidity Requirements. If any Affected Person determines that any Change in Law affecting such Affected Person or any lending office of such Affected Person or such Affected Person's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of (x) increasing the amount of capital required to be maintained by such Affected Person or Affected Person's holding company, if any, (y) reducing the rate of return on such Affected Person's capital or on the capital of such Affected Person's holding company, if any, or (z) causing an internal capital or liquidity charge or other imputed cost to be assessed upon such Affected Person or Affected Person's holding company, if any, in each case, as a consequence of (A) this Agreement or any other Transaction Document, (B) the commitments of such Affected Person hereunder or under any other Transaction Document or any related Program Support Agreement, (C) the Investments made by such Affected Person, or (D) any Capital (or portion thereof), to a level below that which such Affected Person or such Affected Person's holding company could have achieved but for such Change in Law (taking into consideration such Affected Person's policies and the policies of such Affected Person's holding company with respect to capital adequacy and liquidity) by an amount that such Affected Person deems to be material, then from time to time, on the next Settlement Date occurring at least ten (10) Business Days after the Seller's receipt of such Affected Person's (or its Group Agent's) certificate in accordance with clause (c) of this Section, the Seller will pay to such Affected Person in accordance with clause (c) of this Section such additional amount or amounts as will compensate such Affected Person or such Affected Person's holding company for any such increase, reduction or charge; provided, that the Seller shall not be required to compensate such Affected Person pursuant to this clause (b) for any amounts incurred more than 180 days prior to the date such Affected Party notifies the Seller of such Affected Party's intention to claim compensation therefore; provided, further that, if the circumstances giving rise to such claim have a retroactive effect, then such 180 day period shall be extended to include such retroactive effect.

(c) Certificates for Reimbursement. A certificate of an Affected Person (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Affected Person or its holding company, as the case may be, as specified in clause (a) or (b) of this Section and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01 and receipt of the Affected Person's request in accordance with clause (a) or (b) of this Section, pay such Affected Person the amount shown as due on any such certificate on the first Settlement Date occurring at least ten (10) Business Days after the Seller's receipt of such certificate.

(d) Delay in Requests. Except as set forth in the proviso to clause (a) and clause (b) of this Section, failure or delay on the part of any Affected Person to demand compensation pursuant to this Section shall not constitute a waiver of such Affected Person's right to demand such compensation.

Section 1.16 Funding Losses.

(a) The Seller will pay each Purchaser all Breakage Fees.

(b) A certificate of a Purchaser (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Purchaser, as specified in clause (a) above and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01, pay such Purchaser the amount shown as due on any such certificate on the first Settlement Date occurring at least ten (10) Business Days after the Seller's receipt of such certificate.

Section 1.17 Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Seller under any Transaction Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of the applicable Purchaser Party, Affected Person or Seller Indemnified Party) requires the deduction or withholding of any Tax from any such payment to a Purchaser Party, Affected Person or Seller Indemnified Party, then the applicable Purchaser Party, Affected Person or Seller Indemnified Party shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law, and, if such Tax is an Indemnified Tax, then the sum payable by the Seller shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Purchaser Party, Affected Person or Seller Indemnified Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Seller. The Seller shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or, at the option of the Administrative Agent, timely reimburse Administrative Agent for the payment of, any Other Taxes.

(c) Indemnification by the Seller. The Seller shall indemnify each Affected Person, within ten (10) days after demand therefor, for the full amount of any (I) Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Affected Person or required to be withheld or deducted from a payment to such Affected Person and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority and (II) Taxes that arise because an Investment or any Capital is not treated for U.S. federal, state, local or franchise tax purposes consistently with the Intended Tax Treatment (such indemnification will include any U.S. federal, state or local income and franchise taxes necessary to make such Affected Person whole on an after-tax basis taking into account the taxability of receipt of payments under this clause (II) and any reasonable expenses (other than Taxes) arising out of, relating to, or resulting from the foregoing). Promptly upon having knowledge that any such Indemnified Taxes have been levied, imposed or assessed, and promptly upon notice by the Administrative Agent or any Affected Person (or its related Group Agent), the Seller shall pay such Indemnified Taxes directly to the relevant taxing authority or Governmental Authority; provided that neither the Administrative Agent nor any Affected Person shall be under any obligation to provide any such notice to the Seller. A certificate as to the amount of such payment or liability delivered to the Seller by an Affected Person (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of an Affected Person, shall be conclusive absent manifest error.

(d) Indemnification by the Purchasers. Each Purchaser (other than the Conduit Purchasers) shall severally indemnify the Administrative Agent, within ten days after demand therefor, for (i) any Indemnified Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons (but only to the extent that the Seller and its Affiliates have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting any obligation of the Seller, the Servicer or their Affiliates to do so), (ii) any Taxes attributable to the failure of such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons to comply with Section 14.03(f) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons, in each case, that are payable or paid by the Administrative Agent in connection with any Transaction Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or

asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Purchaser (or its Group Agent) by the Administrative Agent shall be conclusive absent manifest error. Each Purchaser (other than the Conduit Purchasers) hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons under any Transaction Document or otherwise payable by the Administrative Agent to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons from any other source against any amount due to the Administrative Agent under this clause (d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by the Seller to a Governmental Authority pursuant to this Section 5.03, the Seller shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Status of Affected Persons. (i) Any Affected Person that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Seller and the Administrative Agent, at the time or times reasonably requested by the Seller or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Seller 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 Person, if reasonably requested by the Seller or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Seller or the Administrative Agent as will enable the Seller or the Administrative Agent to determine whether or not such Affected Person is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.03(f)(ii)(A), 5.03(f)(ii)(B) and 5.03(g)) shall not be required if, in the Affected Person's reasonable judgment, such completion, execution or submission would subject such Affected Person to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Affected Person.

(i) Without limiting the generality of the foregoing:

(A) an Affected Person that is a U.S. Person shall deliver to the Seller and the Administrative Agent from time to time upon the reasonable request of the Seller or the Administrative Agent, executed originals of Internal Revenue Service Form W-9 certifying that such Affected Person is exempt from U.S. federal backup withholding tax;

(B) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the Affected Person) from time to time upon the reasonable request of the Seller or the Administrative Agent, whichever of the following is applicable:

in the case of such an Affected Person claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Transaction Document, executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the

“interest” article of such tax treaty and (y) with respect to any other applicable payments under any Transaction Document, Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

executed originals of Internal Revenue Service Form W-8ECI;

in the case of such an Affected Person claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Affected Person is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Seller within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable; or

to the extent such Affected Person is not the beneficial owner, executed originals of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that, if such Affected Person is a partnership and one or more direct or indirect partners of such Affected Person are claiming the portfolio interest exemption, such Affected Person may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner; and

(C) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the recipient), from time to time upon the reasonable request of the Seller or the Administrative Agent, executed originals of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Seller or the Administrative Agent to determine the withholding or deduction required to be made.

(g) Documentation Required by FATCA. If a payment made to an Affected Person under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Affected Person 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 Person shall deliver to the Seller and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Seller 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 Seller or the Administrative Agent as may be necessary for the Seller and the Administrative Agent to comply with their obligations under

FATCA and to determine that such Affected Person has complied with such Affected Person's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (g), "FATCA" shall include any amendments made to FATCA after the date of this Agreement and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with FATCA.

(h) Survival. Each party's obligations under this Section 5.03 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Purchaser Party or any other Affected Person, the termination of the Commitments and the repayment, satisfaction or discharge of all the Seller Obligations and the Servicer's obligations hereunder.

(i) Updates. Each Affected Person agrees that if any form or certification it previously delivered pursuant to this Section 5.03 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Seller and the Administrative Agent in writing of its legal inability to do so.

(j) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.03 (including by the payment of additional amounts pursuant to this Section 5.03), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 5.03(j) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 5.03(j), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 5.03(j) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 1.18 Daily 1M SOFR or Term SOFR Rate Unascertainable; Increased Costs; Illegality.

(a) Unascertainable; Increased Costs. If, on or prior to the first day of an Yield Period:

(i) the Administrative Agent shall have determined (which determination shall be conclusive and binding absent manifest error) that Daily 1M SOFR or the Term SOFR Rate cannot be determined pursuant to the definition thereof; or

(ii) any Group Agent determines that for any reason that Daily 1M SOFR or the Term SOFR Rate for any requested Yield Period does not adequately and fairly reflect the cost to any such Purchaser in such Group Agent's Group of funding such Purchaser's Investments, and such Group Agent has provided notice of such determination to the Administrative Agent;

then the Administrative Agent shall have the rights specified in Section 5.04(c).

(b) Illegality. If at any time any Group Agent shall have determined that the making, maintenance or funding of any Investment (or Portion of Capital thereof) accruing yield by reference to Daily 1M SOFR or the Term SOFR Rate has been made unlawful, by compliance by such Group Agent in good faith with any 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 Law), then the Administrative Agent shall have the rights specified in Section 5.04(c).

(c) Administrative Agent's and Group Agent's Rights. In the case of any event specified in Section 5.04(a), the Administrative Agent shall promptly so notify the Group Agents and the Seller thereof, and in the case of an event specified in Section 5.04(b), such Group 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 Group Agents and the Seller.

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 (i) the Group Agents, in the case of such notice given by the Administrative Agent, or (ii) such Group Agent, in the case of such notice given by such Group Agent, to allow the Seller to select, convert to or renew any Investment (or Portion of Capital thereof) accruing yield by reference to Daily 1M SOFR or the Term SOFR Rate shall be suspended (to the extent of the affected Yield Rate or the applicable Yield Period) until the Administrative Agent shall have later notified the Seller, or such Group Agent shall have later notified the Administrative Agent, of the Administrative Agent's or such Group Agent's, as the case may be, determination that the circumstances giving rise to such previous determination no longer exist.

If at any time the Administrative Agent makes a determination under Section 5.04(a), (A) if the Seller has delivered an Investment Request for an affected Investment (or Portion of Capital thereof) that has not yet been made, such Investment Request shall be deemed to request an Investment accruing yield at the Base Rate, and (B) any outstanding affected Investments (or Portions of Capital thereof) shall be deemed to have been converted into Investments (or Portions of Capital thereof) accruing yield at the Base Rate at the end of the applicable Yield Period.

Section 1.19 Back-Up Security Interest.

(a) If, notwithstanding the intent of the parties stated in Section 2.01(c), the sale, assignment and transfer of any Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers) hereunder (including pursuant to Section 2.01(b)) is not treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14), then such sale, assignment and transfer of such Sold Assets shall be treated as the grant of a security interest by the Seller to the Administrative Agent (for the ratable benefit of the Purchasers) to secure the payment and performance of all the Seller's obligations to the Administrative Agent, the Purchasers and the other Secured Parties hereunder and under the other Transaction Documents (including all Seller Obligations). Therefore, as security for the performance by the Seller of all the terms, covenants and agreements on the part of the Seller to be performed under this Agreement or any other Transaction Document, including the punctual payment when due of the Aggregate Capital and all Yield and all other Seller Obligations, the Seller hereby grants to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, a continuing security interest in, all of the Seller's right, title and interest in, to and under all of the Sold Assets, whether now or hereafter owned, existing or arising.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Sold Assets, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) For the avoidance of doubt, (i) the grant of security interest pursuant to this Section 5.05 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 15.09, (ii) nothing in Section 2.01 shall be construed as limiting the rights, interests (including any security interest), obligations or liabilities of any party under this Section 5.05, and (iii) subject to the foregoing clauses (i) and (ii), this Section 5.05 shall not be construed to contradict the intentions of the parties set forth in Section 2.01(c).

Section 1.20 Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Transaction Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Transaction Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document and (y) if a Benchmark Replacement is determined in accordance with clause (2), of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Transaction 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 Group Agents without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document so long as the Administrative Agent has not received, by such time, written notice from Group Agents comprising the Majority Group Agents of objection to a Benchmark Replacement determined in accordance with clause (2) of the definition of “Benchmark Replacement”.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent may make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Seller and the Group Agents of (i) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, and (iii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Seller of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Group Agent (or Majority Group Agents) pursuant to this Section 5.06, 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 Transaction Document except, in each case, as expressly required pursuant to this Section 5.06.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Transaction 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 not or will not be representative, then the Administrative Agent may modify the definition of “Yield Period” (or any similar or analogous definition) 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 not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Yield Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Seller’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Seller may revoke any pending request for an Investment (or Portion of Capital thereof) accruing yield based on Daily 1M SOFR or the Term SOFR Rate, conversion to or continuation of Investments (or Portions of Capital thereof) accruing yield based on Daily 1M SOFR or the Term SOFR Rate to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Seller will be deemed to have converted any such request into a request for an Investment accruing yield at the Base Rate. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the 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.

(f) Certain Defined Terms. As used in this Section 5.06:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate or is based on a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of a yield period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor of such Benchmark that is then-removed from the definition of “Yield Period” pursuant to clause (d) of this Section 5.06.

ARTICLE I “Benchmark” means, initially, Daily 1M SOFR and the Term SOFR Rate; provided that if a Benchmark Transition Event has occurred with respect to 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 this Section 5.06.

ARTICLE II “Benchmark Replacement” means, with respect to any Benchmark Transition Event, the first applicable alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

ARTICLE III(1) the sum of: (A) Daily Simple SOFR and (B) the SOFR Adjustment; and

ARTICLE IV(2) the sum of (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Seller, giving due consideration to (x) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (y) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

ARTICLE V provided, that if the Benchmark Replacement as determined pursuant to clause (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Transaction Documents; and provided further, that any Benchmark Replacement shall be administratively feasible as determined by the Administrative Agent in its sole discretion.

ARTICLE VI “Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an 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 Seller, giving due consideration to (A) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (B) 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 Dollar-denominated syndicated credit facilities at such time.

ARTICLE VII “Benchmark Replacement Date” means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

ARTICLE VIII (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

ARTICLE IX(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Administrative Agent, which date shall promptly follow the date of the public statement or publication of information referenced therein;

ARTICLE X For the avoidance of doubt, 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).

ARTICLE XI “Benchmark Transition Event” means, the occurrence of one or more of the following events, with respect to the then-current Benchmark:

ARTICLE XII (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);

ARTICLE XIII (2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Administrative Agent, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

ARTICLE XIV (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) or a Governmental Authority having jurisdiction over the Administrative Agent announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

ARTICLE XV 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).

ARTICLE XVI “Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with this Section 5.06 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with this Section 5.06.

ARTICLE XVII “Relevant Governmental Body” means the Board of Governors of the Federal Reserve System of the United States and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System of the United States or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

CONDITIONS TO EFFECTIVENESS AND INVESTMENTS

Section 1.01 Conditions Precedent to Effectiveness and the Initial Investment. This Agreement shall become effective as of the Closing Date when (a) the Administrative Agent shall have received each of the documents, agreements (in fully executed form), opinions of counsel, lien search results, UCC filings, certificates and other deliverables listed on the closing memorandum attached as Exhibit H hereto, in each case, in form and substance reasonably acceptable to the Administrative Agent and (b) all fees and expenses payable by the Seller on the Closing Date to the Purchaser Parties have been paid in full in accordance with the terms of the Transaction Documents.

Section 1.02 Conditions Precedent to All Investments. Each Investment hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) the Seller shall have delivered to the Administrative Agent and each Group Agent an Investment Request for such Investment, in accordance with Section 2.02(a);

(b) the Servicer shall have delivered to the Administrative Agent and each Group Agent all Information Packages required to be delivered hereunder;

(c) the conditions precedent to such Investment specified in Section 2.01(a)(i) through (iv) shall be satisfied;

(d) on the date of such Investment the following statements shall be true and correct (and upon the occurrence of such Investment, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, and no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event would result from such Investment;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment; and

(iv) the Termination Date has not occurred.

Section 1.03 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 Breakage Fees, in each case, through the

date of such Release, (y) the amount of any Capital Coverage Deficit and (z) the amount of all other accrued and unpaid Seller Obligations (other than Capital) through the date of such Release;

(b) the Seller shall use the proceeds of such Release solely to pay the purchase price for Receivables purchased by the Seller in accordance with the terms of the Purchase and Sale Agreement and amounts owing by the Seller to the Originators under the Subordinated Notes; and

(c) on the date of such Release the following statements shall be true and correct (and upon the occurrence of such Release, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects on and as of the date of such Release as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination or Non-Reinvestment Event has occurred and is continuing, and no Event of Termination or Non-Reinvestment Event would result from such Release;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Release;

(iv) the Termination Date has not occurred; and

(v) the Aggregate Capital exceeds the Minimum Funding Threshold.

REPRESENTATIONS AND WARRANTIES

Section 1.04 Representations and Warranties of the Seller. The Seller represents and warrants to each Purchaser Party as of the Closing Date, on each Settlement Date, and on the day of each Investment, Release and delivery of an Information Package:

(a) Organization and Good Standing. The Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. The Seller is duly qualified to do business as a foreign limited liability company in good standing in all other jurisdictions which require such qualification, except to the extent that failure to so qualify would not have a Material Adverse Effect.

(b) Power and Authority; Due Authorization. The Seller (i) has all necessary limited liability company power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and (C) grant a security interest in the Sold Assets and Seller Collateral to the Administrative Agent on the terms and subject to the conditions herein provided and (ii) has duly authorized by all necessary limited liability company action such grant and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party.

(c) Binding Obligations. This Agreement and each of the other Transaction Documents to which the Seller is a party constitutes legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(d) No Conflict or Violation. The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents to which the Seller is a party, and the fulfillment of the terms hereof and thereof, will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other material agreement or instrument to which the Seller is a party, (ii) result in the creation or imposition of any Adverse Claim (other than Permitted Adverse Claims) upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other material agreement or instrument other than this Agreement and the other Transaction Documents or (iii) conflict with or violate any Applicable Law.

(e) Litigation and Other Proceedings. (i) There is no action, suit, proceeding or investigation pending or, to the actual knowledge of the Seller, threatened, against the Seller before any Governmental Authority and (ii) the Seller is not subject to any order, judgment, decree, injunction, stipulation or consent order of or with any Governmental Authority that, in the case of either of the foregoing clauses (i) and (ii), (A) asserts the invalidity of this Agreement or any other Transaction Document to which the Seller is a party or any of the transactions contemplated hereby or thereby, (B) seeks to prevent the grant of a security interest in any Sold Assets or Seller Collateral by the Seller to the Administrative Agent, the ownership or acquisition by the Seller of any Pool Receivables, any other Sold Assets or any Seller Collateral or the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document or (C) individually or in the aggregate for all such actions, suits, proceedings and investigations could reasonably be expected to have a Material Adverse Effect.

(f) Governmental Approvals. Except where the failure to obtain or make such authorization, consent, order, approval or action could not reasonably be expected to have a Material Adverse Effect and filings with the SEC to the extent required by Applicable Law, all authorizations, consents, orders and approvals of, or other actions by, any Governmental Authority that are required to be obtained by the Seller in connection with the grant of a security interest in the Sold Assets or Seller Collateral to the Administrative Agent hereunder or the due execution, delivery and performance by the Seller of this Agreement or any other Transaction Document to which it is a party and the consummation by the Seller of the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party have been obtained or made and are in full force and effect.

(g) Margin Regulations. No proceeds of any Investment will be used by the Seller to purchase or carry any margin stock or extend credit to others for the purpose of purchasing or carrying any margin stock in any matter that violates or would cause a violation of Regulations T, U or X of the Board of Governors of the Federal Reserve System.

(h) Solvency. After giving effect to the transactions contemplated by this Agreement and the other Transaction Documents, the Seller is Solvent.

(i) Offices; Legal Name. The Seller's sole jurisdiction of organization is the State of Delaware and such jurisdiction has not changed within four months prior to the date of

this Agreement. The office of the Seller is located at 20408 Bashan Drive, Suite 231, Ashburn, Virginia 20147. The legal name of the Seller is DXC Receivables LLC.

(j) Investment Company Act; Volcker Rule. The Seller (i) is not, and is not controlled by, an “investment company” registered or required to be registered under the Investment Company Act and (ii) is not a “covered fund” under the Volcker Rule. In determining that the Seller is not a “covered fund” under the Volcker Rule, the Seller relies on, and 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.

(k) Accuracy of Information. All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished to the Administrative Agent or any other Purchaser Party by or on behalf of the Seller pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document, taken together with any information contained in the public filings made by Parent with the SEC pursuant to the 1934 Act, is, at the time the same are so furnished (or with respect to each Information Package and Investment Request, as of its date), complete and correct in all material respects on the date the same are furnished (or with respect to each Information Package and Investment Request, as of its date) to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made; provided, that, with respect to projected financial information provided by or on behalf of the Seller, the Seller represents only that such information was prepared in good faith by management of the Seller on the basis of assumptions believed by such management to be reasonable as of the time made.

(l) Transaction Information. None of the Seller, any Affiliate of the Seller or any third party with which the Seller or any Affiliate thereof has contracted, has delivered, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and has not participated in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(m) Anti-Corruption Laws and Sanctions. The Seller has implemented and maintains in effect policies and procedures designed to promote and achieve compliance by Seller and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Seller and to the knowledge of the Seller its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (i) the Seller or to the knowledge of the Seller any of the directors or officers of the Seller or (ii) to the knowledge of the Seller, any employee or agent of the Seller that will act in any capacity in connection with or benefit from the facility established hereby, is a Sanctioned Person. The Seller will provide to the Administrative Agent and each Purchaser such information and documentation as may reasonably be requested by the Administrative Agent and each Purchaser from time to time for purposes of compliance by the Administrative Agent and each Purchaser with applicable laws (including without limitation the USA Patriot Act and other “know your customer” and anti-money laundering rules and regulations), and any policy or procedure implemented by the Administrative Agent and each Purchaser to comply therewith. As of September 24, 2018, the Seller 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 directly or indirectly by a company listed on the New York Stock Exchange or the American Stock Exchange or designated as a NASDAQ National Market Security listed on the NASDAQ stock exchange and is excluded on that basis from the definition of “Legal Entity Customer” as defined in the Beneficial Ownership Rule.

(n) Perfection Representations.

(i) This Agreement creates a valid and continuing ownership or security interest (as defined in the applicable UCC) in the Seller's right, title and interest in, to and under the Sold Assets and Seller Collateral which (A) ownership or security interest has been perfected to the extent perfection may be achieved by filing a financing statement under the UCC and is enforceable against creditors of and purchasers from the Seller and (B) will be free of all Adverse Claims in such Sold Assets and Seller Collateral (other than Permitted Adverse Claims).

(ii) The Receivables constitute "accounts" or "general intangibles" within the meaning of Section 9-102 of the UCC.

(iii) Prior to the sale of, or grant of security interest in, the Sold Assets and Seller Collateral to Administrative Agent hereunder, the Seller owns and has good and marketable title to such Sold Assets and Seller Collateral free and clear of any Adverse Claim of any Person (other than Permitted Adverse Claims).

(iv) All appropriate financing statements, financing statement amendments and continuation statements have been filed in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect (and continue the perfection of) (to the extent perfection may be achieved by filing a financing statement under the UCC) the sale and contribution of the Receivables and Related Security from each Originator to the Seller pursuant to the Purchase and Sale Agreement and the Seller's sale of, and grant of a security interest in the Sold Assets and Seller Collateral to the Administrative Agent pursuant to this Agreement.

(v) Other than the security interest granted to the Administrative Agent pursuant to this Agreement, the Seller has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Sold Assets or Seller Collateral except as permitted by this Agreement and the other Transaction Documents. The Seller has not authorized the filing of and is not aware of any financing statements filed against the Seller that include a description of collateral covering the Sold Assets or Seller Collateral other than any financing statement (i) in favor of the Administrative Agent or (ii) that has been terminated.

(vi) Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section 7.01(n) shall be continuing and remain in full force and effect until the Final Payout Date.

(o) The Blocked Accounts.

(i) Nature of Blocked Accounts. Each Blocked Account constitutes a "deposit account" within the meaning of the applicable UCC.

(ii) Ownership. Each Blocked Account is in the name of the Seller, and the Seller owns and has good and marketable title to the Blocked Accounts free and clear of any Adverse Claim (other than Permitted Adverse Claims).

(iii) Perfection. The Seller has delivered to the Administrative Agent a fully executed Account Control Agreement relating to each Blocked Account, pursuant to which each applicable Blocked Account Bank has agreed to comply with the instructions originated by the Administrative Agent directing the disposition of funds in such Blocked Account without further consent by the Seller, the Servicer or any other Person. The

Administrative Agent has “control” (as defined in Section 9-104 of the UCC) over each Blocked Account.

(iv) Instructions. The Blocked Accounts are not in the name of any Person other than the Seller. Neither the Seller nor the Servicer has consented to the applicable Blocked Account Bank complying with instructions of any Person other than the Administrative Agent.

(p) Ordinary Course of Business. Each remittance of Collections by or on behalf of the Seller to the Purchaser Parties under this Agreement will have been (i) in payment on account of a sale transacted by the Seller in the ordinary course of business or financial affairs of the Seller and (ii) made in the ordinary course of business or financial affairs of the Seller.

(q) Compliance with Law. The Seller has complied in all material respects with all Applicable Laws to which it may be subject.

(r) Bulk Sales Act. No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law to which the Seller is subject.

(s) Eligible Receivables. Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(t) Taxes. The Seller has filed or caused to be filed all material tax returns (federal, state and local) required to be filed and paid all amounts of taxes shown thereon to be due, including interest and penalties, except for such taxes as are being contested in good faith and by proper proceedings and with respect to which appropriate reserves are being maintained by the Seller in accordance with GAAP as reasonably determined by the Seller.

(u) Tax Status. The Seller (i) is, and shall at all relevant times continue to be, a “disregarded entity” within the meaning of U.S. Treasury Regulation § 301.7701-3 for U.S. federal income tax purposes that is disregarded as separate from a United States person (within the meaning of Section 7701(a)(30) of the Code) and (ii) is not and will not at any relevant time become an association (or publicly traded partnership) taxable as an association for U.S. federal income tax purposes.

(v) Opinions. The facts regarding the Seller, the Servicer, each Originator, the Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in each of the opinions of counsel delivered in connection with this Agreement and the Transaction Documents are true and correct in all material respects.

(w) Other Transaction Documents. Each representation and warranty made by the Seller under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(x) Collection Accounts. Each Collection Account and Lock-Box is in the name of the applicable Originator identified on Schedule II-A, and such Originator owns and has good and marketable title to the applicable Collection Account or Lock Box free and clear of any Adverse Claim.

(y) Reaffirmation of Representations and Warranties. On the date of each Investment, on the date of each Release, on each Settlement Date and on the date each Information Package is delivered to the Administrative Agent or any Group Agent hereunder, the Seller shall be deemed to have certified that (i) all representations and warranties of the Seller hereunder are true and correct in all material respects (unless such representation or warranty

contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) on and as of such day as though made on and as of such day, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (unless such representation or warranty contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) as of such date) and (ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing or will result from such Investment or Release.

(z) Liquidity Coverage Ratio. The Seller has not issued any LCR Securities and the Seller is a consolidated subsidiary of Parent under GAAP.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section shall continue to be made on the dates specified herein, and remain in full force and effect until the Final Payout Date.

Section 1.05 Representations and Warranties of the Servicer. The Servicer represents and warrants to each Purchaser Party as of the Closing Date, on each Settlement Date and on the day of each Investment, Release and delivery of an Information Package:

(a) Organization and Good Standing. The Servicer is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada. The Servicer is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions which require such qualification, except to the extent that failure to so qualify would not have a Material Adverse Effect.

(b) Power and Authority; Due Authorization. The Servicer has all necessary corporate power and authority to (i) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (ii) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party have been duly authorized by the Servicer by all necessary corporate action.

(c) Binding Obligations. This Agreement and each of the other Transaction Documents to which it is a party constitutes legal, valid and binding obligations of the Servicer, enforceable against the Servicer in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(d) No Conflict or Violation. The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement and each other Transaction Document to which the Servicer is a party, and the fulfillment of the terms hereof and thereof will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, the organizational documents of the Servicer or any material indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust or other material agreement or instrument to which the Servicer is a party or by which it or any of its property is bound, (ii) result in the creation or imposition of any material Adverse Claim (other than Permitted Adverse Claims) upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, agreement, mortgage, deed of trust or other material agreement or instrument, other than this Agreement and the other Transaction Documents or (iii)

conflict with or violate any Applicable Law, except in each case to the extent that any such conflict, breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(e) Litigation and Other Proceedings. There is no action, suit, proceeding or investigation pending, or to the Servicer's actual knowledge threatened, against the Servicer before any Governmental Authority: (i) asserting the invalidity of this Agreement or any of the other Transaction Documents to which the Servicer is a party or any of the transactions contemplated hereby or thereby; or (ii) except as publicly disclosed in reports filed under the Exchange Act prior to the Closing Date, which individually or in the aggregate for all such actions, suits, proceedings and investigations, could reasonably be expected to have a Material Adverse Effect.

(f) No Consents. The Servicer is not required to obtain the consent of any other party or any consent, license, approval, registration, authorization or declaration of or with any Governmental Authority in connection with the execution, delivery, or performance of this Agreement or any other Transaction Document to which it is a party that has not already been obtained, except (i) where the failure to obtain such consent, license, approval, registration, authorization or declaration could not reasonably be expected to have a Material Adverse Effect or (ii) filings with the SEC to the extent required by Applicable Law.

(g) Compliance with Applicable Law. The Servicer (i) has maintained in effect all qualifications required under Applicable Law in order to properly service the Pool Receivables and (ii) has complied with all Applicable Laws in connection with servicing the Pool Receivables, except to the extent the failure to maintain such qualifications or comply with such Applicable Laws could not reasonably be expected to have a Material Adverse Effect.

(h) Accuracy of Information. All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished to the Administrative Agent or any other Purchaser Party by the Servicer pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document, taken together with any information contained in the public filings made by Parent with the SEC pursuant to the 1934 Act, is, at the time the same are so furnished (or with respect to each Information Package and Investment Request, as of its date), complete and correct in all material respects on the date the same are furnished (or with respect to each Information Package and Investment Request, as of its date) to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made; provided, that, with respect to projected financial information provided by or on behalf of the Servicer, the Servicer represents only that such information was prepared in good faith by management of the Servicer on the basis of assumptions believed by such management to be reasonable as of the time made.

(i) Location of Records. The offices where the Servicer keeps all of its records relating to the servicing of the Pool Receivables are located at 20408 Bashan Drive, Suite 231, Ashburn, Virginia 20147.

(j) Credit and Collection Policy. The Servicer has complied in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contracts.

(k) Eligible Receivables. Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(l) Other Transaction Documents. Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party (including, without limitation, the Purchase and Sale Agreement) is true and correct in all material respects as of the date when made.

(m) Investment Company Act. The Servicer is not an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act.

(n) Anti-Corruption Laws and Sanctions. DXC has implemented and maintains in effect policies and procedures designed to promote and achieve compliance by DXC, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and DXC, its Subsidiaries and to the knowledge of DXC its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (i) DXC, any Subsidiary of DXC or to the knowledge of DXC any of the directors or officers of DXC, (ii) to the knowledge of DXC or such Subsidiary, any director or officer of any Subsidiary of DXC or (iii) to the knowledge of DXC, any employee or agent of DXC or any Subsidiary that will act in any capacity in connection with or benefit from the facility established hereby, is a Sanctioned Person. DXC will provide to the Administrative Agent and each Purchaser such information and documentation as may reasonably be requested by the Administrative Agent and each Purchaser from time to time for purposes of compliance by the Administrative Agent and each Purchaser with applicable laws (including without limitation the USA Patriot Act and other “know your customer” and anti-money laundering rules and regulations), and any policy or procedure implemented by the Administrative Agent and each Purchaser to comply therewith.

(o) Transaction Information. None of the Servicer, any Affiliate of the Servicer or any third party with which the Servicer or any Affiliate thereof has contracted, has delivered, in writing or orally, to any Rating Agency, or monitoring a rating of, any Notes, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and has not participated in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(p) Financial Condition. The audited consolidated balance sheet of the Servicer and its consolidated Subsidiaries as of April 1, 2016 and the related audited statements of income and shareholders’ equity of the Servicer and its consolidated Subsidiaries for the fiscal year then ended, copies of which have been furnished to the Administrative Agent and the Group Agents, present fairly in all material respects the consolidated financial position of the Servicer and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP consistently applied.

(q) Bulk Sales Act. No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law to which the Servicer is subject.

(r) Taxes. Except as disclosed in reports filed under the Exchange Act prior to the Closing Date, the Servicer has filed or caused to be filed all material tax returns (federal, state and local) required to be filed and paid all amounts of taxes shown thereon to be due, including interest and penalties, except (i) for such taxes as are being contested in good faith and by proper proceedings and with respect to which appropriate reserves are being maintained by the Servicer in accordance with GAAP as reasonably determined by the Servicer or (ii) to the extent that the failure to file such returns or pay such taxes would not reasonably be expected to have a Material Adverse Effect.

(s) Opinions. The facts regarding the Seller, the Servicer, each Originator, the Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in each of the opinions of counsel delivered in connection with this Agreement and the Transaction Documents are true and correct in all material respects.

(t) Other Transaction Documents. Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(u) Collection Accounts. Each Collection Account and Lock-Box is in the name of the applicable Originator identified on Schedule II-A, and such Originator owns and has good and marketable title to the applicable Collection Account and Lock-Box free and clear of any Adverse Claim (except for Permitted Adverse Claims).

(v) Reaffirmation of Representations and Warranties. On the date of each Investment, on the date of each Release, on each Settlement Date and on the date each Information Package is delivered to the Administrative Agent or any Group Agent hereunder, the Servicer shall be deemed to have certified that (i) all representations and warranties of the Servicer hereunder are true and correct in all material respects (unless such representation or warranty contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) on and as of such day as though made on and as of such day, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (unless such representation or warranty contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) as of such date) and (ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing or will result from such Investment or Release.

(w) ERISA. Except as disclosed in the Exchange Act Reports filed prior to the Closing Date:

(i) no ERISA Event has occurred or is reasonably expected to occur (other than premiums payable under Title IV of ERISA), that would reasonably be expected to result in a liability to Parent or its ERISA Affiliates of more than \$250,000,000 over the amount previously reflected for any such liabilities, in accordance with GAAP, on the financial statements delivered pursuant to Section 8.02(b)(v);

(ii) Schedule B (Actuarial Information) to the most recently completed annual report (Form 5500 Series) for each Pension Plan, copies of which have been filed with the Internal Revenue Service and furnished to the Administrative Agent, is complete and, to the best knowledge of DXC, accurate and since the date of such Schedule B there has been no change in the funding status of any such Pension Plan except any change that would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Parent and its Subsidiaries, taken as a whole;

(iii) as of the most recent valuation date for each Multiemployer Plan for which the actuarial report is available, the potential liability to Parent or any of its ERISA Affiliates for a complete withdrawal from such Multiemployer Plan, when aggregated with such potential liability for a complete withdrawal for all Multiemployer Plans, based on information available pursuant to Section 4221(e) of ERISA, does not exceed \$250,000,000;

(iv) Parent and each of its ERISA Affiliates are in compliance with all applicable provisions and requirements of ERISA and the regulations and published

interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan except for any such failure to perform or comply that would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Parent and its Subsidiaries, taken as a whole;

(v) each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Code has received a determination letter from the Internal Revenue Service that the Employee Benefit Plan is so qualified (or a timely application for such a determination letter is pending), and to the best of DXC's knowledge, the Employee Benefit Plan has not been operated in any way that would result in the Employee Benefit Plan no longer being so qualified except as would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Parent and its Subsidiaries, taken as a whole; and

(vi) neither Parent nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is insolvent or has been terminated or has been determined to be in "endangered" or "critical" status, within the meaning of Title IV of ERISA, and, to the best knowledge of the Company, no Multiemployer Plan is reasonably expected to be insolvent, in reorganization or to be terminated or to be determined to be in "endangered" or "critical" status within the meaning of Title IV of ERISA, in each case, resulting in a liability to Parent or its ERISA Affiliates of more than \$250,000,000.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section shall continue to be made on the dates specified herein, and remain in full force and effect until the Final Payout Date.

COVENANTS

Section 1.06 Covenants of the Seller. At all times from the Closing Date until the Final Payout Date:

(a) Payment of Principal and Yield. The Seller shall duly and punctually pay Capital, Yield, Fees and all other amounts payable by the Seller hereunder in accordance with the terms of this Agreement.

(b) Existence. The Seller shall keep in full force and effect its existence and rights as a limited liability company under the laws of the State of Delaware, and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents, the Sold Assets and the Seller Collateral, except to the extent the failure to maintain such qualification could not reasonably be expected to have a Material Adverse Effect.

(c) Financial Reporting. The Seller will maintain a system of accounting established and administered in accordance with GAAP, and the Seller (or the Servicer on its behalf) shall furnish to the Administrative Agent and each Group Agent:

(i) Annual Financial Statements of the Seller. Promptly upon completion and in no event later than 120 days after the close of each fiscal year of the Seller, annual unaudited financial statements of the Seller certified by a Financial Officer of the Seller that they fairly present in all material respects, in accordance with GAAP,

the financial condition of the Seller as of the date indicated and the results of its operations for the periods indicated.

(ii) Information Packages. As soon as available and, in any event, at least two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month.

(iii) Other Information. Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(d) Notices. The Seller (or the Servicer on its behalf) will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) Notice of Events of Termination and Non-Reinvestment Events. A statement of a Financial Officer of the Seller setting forth details of any Event of Termination or Non-Reinvestment Event that has occurred and is continuing and the action which the Seller proposes to take with respect thereto.

(ii) Representations and Warranties. The failure of any representation or warranty made or deemed to be made by the Seller under this Agreement or any other Transaction Document to be true and correct in any material respect when made.

(iii) Litigation. The institution of any litigation, arbitration proceeding or governmental proceeding with respect to the Seller, the Servicer, the Performance Guarantor or any Originator, which with respect to any Person other than the Seller, could reasonably be expected to have a Material Adverse Effect.

(iv) Adverse Claim. (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or Seller Collateral or any portion thereof (other than a Permitted Adverse Claim), (B) any Person other than the Seller, the Servicer or the Administrative Agent shall obtain any rights or direct any action with respect to any Blocked Account (other than a Permitted Adverse Claim), (C) any Person other than the applicable Originator shall obtain any rights or direct any action with respect to any Collection Account or Lock-Box (other than a Permitted Adverse Claim) or (D) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) Change in Accountants or Accounting Policy. Any change in (A) the external accountants of the Seller, the Servicer, any Originator or the Parent or (B) any material accounting policy of the Seller or any Originator that is relevant to the transactions contemplated by this Agreement or any other Transaction Document (it being understood that any change to the manner in which any Originator accounts for the Pool Receivables shall be deemed "material" for such purpose).

(vi) Termination Event. The occurrence of a Purchase and Sale Termination Event under the Purchase and Sale Agreement.

(vii) Material Adverse Change. The occurrence of any Material Adverse Effect.

(e) Conduct of Business. The Seller will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is conducted as of the Closing Date.

(f) Compliance with Laws. The Seller will comply with all Applicable Laws to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(g) Furnishing of Information and Inspection of Receivables. The Seller will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and the Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. The Seller will, at the Seller's expense, during regular business hours with, unless an Event of Termination or Non-Reinvestment Event has occurred and is continuing, five (5) Business Days prior written notice (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables, the other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Seller for the purpose of examining such books and records and (C) discuss matters relating to the Pool Receivables, the other Sold Assets, the Seller Collateral or the Seller's performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Seller having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Seller's expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to such Pool Receivables, the other Sold Assets and the Seller Collateral; provided, that unless an Event of Termination or Non-Reinvestment Event has occurred and is continuing, (A) the Seller shall be required to reimburse the Administrative Agent for reasonable documented out-of-pocket costs and expenses for only one (1) such review pursuant to clause (ii) above in any calendar year and (B) the Administrative Agent and the Group Agents hereby agree to coordinate their audits and inspections. Following the occurrence of an Event of Termination or Non-Reinvestment Event, the Administrative Agent may appoint a third party to monitor the servicing of the Pool Receivables, including the disposition of Collections received in the Collection Accounts. Upon the request of the Administrative Agent and the Majority Group Agents, following the Administrative Agent's and the Majority Group Agents' review of the results of an audit described in this Section, the Seller agrees to review the findings set forth in such audit report with the Administrative Agent and each Group Agent and will work in good faith to promptly remediate any material findings.

(h) Payments on Receivables, Collection Accounts; Change in Payment Instructions to Obligors.

(i) The Seller (or the Servicer on its behalf) shall, and shall cause each Originator to, at all times, instruct all Obligors to deliver payments on the Pool Receivables to (i) so long as no Event of Termination or Non-Reinvestment Event has occurred and is continuing, a Blocked Account, Collection Account or a Lock-Box and (ii) if an Event of Termination or Non-Reinvestment Event has occurred and is continuing, to a Blocked Account. The Seller (or the Servicer on its behalf) shall, and shall cause each Originator to, promptly (but in any event within three (3) Business Day after receipt) remit all Collections received in a Collection Account or Lock-Box to a Blocked Account. The Seller (or the Servicer on its behalf) shall, and shall cause each Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and transfer such Collections to the Blocked Accounts. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer or an Originator, it shall hold such payments in

trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within three (3) Business Day after receipt) remit such funds into a Blocked Account. The Seller shall enforce its rights under each applicable Blocked Account Agreement. Following the occurrence of an Event of Termination or Non-Reinvestment Event, upon the request of the Administrative Agent, the Seller (or the Servicer on its behalf) shall cause the Administrative Agent to receive read-only access to each Collection Account or, if read-only access is not available for any Collection Account, daily account statements with respect to such Collection Account. The Seller shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Blocked Account. If such funds are nevertheless deposited into any Blocked Account, the Seller (or the Servicer on its behalf) will within three (3) Business Days identify and transfer such funds to the appropriate Person entitled to such funds. The Seller shall only add a Collection Account (or a related Lock-Box), Collection Account Bank, Blocked Account or Blocked Account Bank to those listed on Schedule II-A or Schedule II-B to this Agreement, if the Administrative Agent has received notice of such addition and, with respect to a Blocked Account, an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Blocked Account Bank. The Seller shall only terminate an Account Control Agreement or close a Collection Account (or a related Lock-Box) or Blocked Account with the prior written consent of the Administrative Agent.

(ii) The Seller shall not (and shall not permit the Servicer or any Sub-Servicer to) add, replace or terminate any Collection Account (or any related Lock-Box) or Blocked Account or make any change in its (or their) instructions to the Obligor regarding payments to be made to the Collection Accounts (or any related Lock-Box) or Blocked Account, other than any instruction to remit payments to a different Collection Account (or any related Lock-Box) or Blocked Account, unless the Administrative Agent shall have received (i) prior written notice of such addition, termination or change and (ii) with respect to a Blocked Account, a signed and acknowledged Account Control Agreement (or amendment thereto) with respect to such new Blocked Accounts, and the Administrative Agent shall have consented to such change in writing of a Blocked Account (such consent not to be unreasonably withheld); provided, that upon the Administrative Agent's consent, Schedule II-A or Schedule II-B, as applicable, shall be deemed to be amended to include such new Collection Account, Lock-Box Account or Blocked Account.

(iii) The Seller shall ensure that no more than 5.00% of all funds deposited to the Collection Accounts (in the aggregate) during any Fiscal Month constitute funds other than Collections.

(i) Sales, Liens, etc. Except as otherwise provided herein and Permitted Adverse Claims, the Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim (except for Permitted Adverse Claims) upon (including, without limitation, the filing of any financing statement) or with respect to, any Pool Receivable, other Sold Assets or the Seller Collateral, or assign any right to receive income in respect thereof.

(j) Extension or Amendment of Pool Receivables. Except as otherwise permitted in Section 9.02, the Seller will not, and will not permit the Servicer to, alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Seller shall at its expense comply in all material respects with (i) the related Contracts to the extent applicable to the value, validity, collectability

or enforceability of the Pool Receivables and (ii) the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(k) Change in Credit and Collection Policy. Except as required by Applicable Law, the Seller will not make any change in the Credit and Collection Policy that could reasonably be expected to adversely affect the value, validity, collectability or enforceability of the Receivables or decrease the credit quality of any newly created Receivables (in each case, taken as a whole) without the prior written consent of the Administrative Agent and the Majority Group Agents. Promptly following any change in the Credit and Collection Policy, the Seller will deliver a copy of the updated Credit and Collection Policy to the Administrative Agent.

(l) Fundamental Changes. The Seller shall not, without the prior written consent of the Administrative Agent and the Majority Group Agents, permit itself (i) to merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person or (ii) to be directly owned by any Person other than an Originator. The Seller shall provide the Administrative Agent with at least 30 days' prior written notice before making any change in the Seller's name or location or making any other change in the Seller's identity or corporate structure that could impair or otherwise render any UCC financing statement filed in connection with this Agreement or any other Transaction Document "seriously misleading" as such term (or similar term) is used in the applicable UCC; each notice to the Administrative Agent and the Group Agents pursuant to this sentence shall set forth the applicable change and the proposed effective date thereof. The Seller will not change its name, location, identity or corporate structure unless (x) the Seller, at its own expense, shall have taken all action necessary or appropriate to perfect or maintain the perfection of the security interest under this Agreement (including, without limitation, the filing of all financing statements and the taking of such other action as the Administrative Agent may request in connection with such change or relocation) and (y) if requested by the Administrative Agent, the Seller shall cause to be delivered to the Administrative Agent, an opinion, in form and substance satisfactory to the Administrative Agent as to such UCC perfection matters as the Administrative Agent may request at such time.

(m) Records. The Seller shall maintain and implement (or cause the Servicer to maintain and implement) administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(n) Identifying of Records. The Seller shall identify (or cause the Servicer to identify) its master data processing records relating to Pool Receivables and related Contracts with a legend that indicates that the Pool Receivables have been sold in accordance with this Agreement.

(o) Ownership Interest, Further Assurances, Etc. The Seller shall (and shall cause the Servicer to), at its expense, take all action necessary or reasonably desirable to establish and maintain a valid and enforceable ownership or security interest in the Sold Assets and the Seller Collateral, and a first priority perfected security interest in the Sold Assets and the Seller Collateral, in each case free and clear of any Adverse Claim (other than Permitted Adverse Claims), in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under

this Agreement, the Seller shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections (subject to Permitted Adverse Claims). The Seller shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest (subject to Permitted Adverse Claims). The Administrative Agent's approval of such filings shall authorize the Seller to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Seller shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes Sold Assets or the Seller Collateral of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent. The Seller authorizes the Administrative Agent to file financing statements, continuation statements and amendments thereto and assignments thereof, relating to the Receivables, the Related Security, the related Contracts, Collections with respect thereto, the other Sold Assets and the Seller Collateral without the signature of the Seller. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(p) Certain Agreements. Without the prior written consent of the Administrative Agent and the Majority Group Agents, the Seller will not (and will not permit any Originator or the Servicer to) amend, modify, waive, revoke or terminate any Transaction Document to which it is a party or any provision of the Seller's organizational documents which requires the consent of the "Independent Director" (as such term is used in the Seller's Certificate of Formation and Limited Liability Company Agreement).

(q) Restricted Payments. (i) Except pursuant to clause (ii) below, the Seller will not: (A) purchase or redeem any of its membership interests, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt, (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as "Restricted Payments").

(i) Subject to the limitations set forth in clause (iii) below, the Seller may make Restricted Payments so long as such Restricted Payments are made only in one or more of the following ways: (A) the Seller may make cash payments (including prepayments) on the Subordinated Notes in accordance with their respective terms and (B) the Seller may declare and pay dividends if, both immediately before and immediately after giving effect thereto, the Seller's Net Worth is not less than the Required Capital Amount.

(ii) The Seller may make Restricted Payments only out of the funds, if any, it receives pursuant to Sections 4.01 of this Agreement; provided that the Seller shall not pay, make or declare any Restricted Payment (including any dividend) if, after giving effect thereto, any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event shall have occurred and be continuing.

(r) Other Business. The Seller will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents, (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or

bankers' acceptances) other than pursuant to this Agreement or the Subordinated Notes or (iii) form any Subsidiary or make any investments in any other Person.

(s) Use of Collections Available to the Seller. The Seller shall apply the Collections available to the Seller to make payments in the order of priority set forth in Section 4.01(a).

(t) Transaction Information. None of the Seller, any Affiliate of the Seller or any third party with which the Seller or any Affiliate thereof has contracted, shall deliver, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and will not participate in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(u) Seller's Net Worth. The Seller shall not permit the Seller's Net Worth to be less than the Required Capital Amount.

(v) Seller's Tax Status. The Seller will remain a wholly-owned subsidiary of a United States person (within the meaning of Section 7701(a)(30) of the Code) and will not be required to withhold or otherwise be subject to liability under Section 1441, 1446 or 1461 of the Code. No action will be taken that would cause the Seller to (i) be treated other than as a "disregarded entity" within the meaning of U.S. Treasury Regulation § 301.7701-3 for U.S. federal income tax purposes or (ii) become an association taxable as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(w) Credit Risk Retention. The Seller shall cooperate with each Purchaser Party (including by providing such information and entering into or delivering such additional agreements or documents reasonably requested by such Purchaser Party) to the extent reasonably necessary to assure such Purchaser Party that the Originators retain credit risk in the amount and manner required by the Credit Risk Retention Rules and to permit such Purchaser Party to perform its due diligence and monitoring obligations (if any) under the Credit Risk Retention Rules.

(x) Minimum Funding Threshold. The Aggregate Capital shall exceed the Minimum Funding Threshold at any time after the initial Investment hereunder.

(y) Liquidity Coverage Ratio. The Seller shall not issue any LCR Security.

(z) Use of Proceeds. The Seller will not request any Investment, and the Seller shall not knowingly use, and shall procure that its directors, officers, employees and agents shall not knowingly use, the proceeds of any Investment (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (C) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(aa) Beneficial Ownership Rule. Promptly following any change that would result in a change to the status as an excluded Legal Entity Customer under the Beneficial Ownership Rule, the Seller shall execute and deliver to the Administrative Agent and the Group Agents a Certification of Beneficial Owner(s) complying with the Beneficial Ownership Rule, in form and substance reasonably acceptable to the Administrative Agent and any Group Agent.

(ab) [Reserved].

Section 1.07 Covenants of the Servicer. At all times from the Closing Date until the Final Payout Date:

(a) Existence. The Servicer shall keep in full force and effect its existence and rights as a corporation under the laws of the State of Nevada, and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents, the Sold Assets and the Seller Collateral except to the extent the failure to maintain such qualification could not reasonably be expected to have a Material Adverse Effect.

(b) Financial Reporting. The Servicer will maintain a system of accounting established and administered in accordance with GAAP, and the Servicer shall furnish to the Administrative Agent and each Group Agent:

(i) Compliance Certificates. (a) A compliance certificate promptly upon completion of the annual report of the Parent and in no event later than one hundred twenty (120) days after the close of the Parent's fiscal year, in form and substance substantially similar to Exhibit G signed by a Financial Officer of the Servicer stating that no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, or if any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, stating the nature and status thereof and (b) within sixty (60) days after the close of each of the first three fiscal quarters of the Servicer, a compliance certificate in form and substance substantially similar to Exhibit G signed by a Financial Officer of the Servicer stating that no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, or if any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, stating the nature and status thereof.

(ii) Information Packages. As soon as available and, in any event, at least two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month.

(iii) Other Information. Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(iv) Quarterly Financial Statements of Parent. As soon as available and in no event later than sixty (60) days following the end of each of the first three fiscal quarters in each of Parent's fiscal years, the unaudited consolidated balance sheet and statements of income of Parent and its consolidated Subsidiaries as at the end of such fiscal quarter and the related unaudited consolidated statements of earnings and cash flows for such fiscal quarter and for the elapsed portion of the fiscal year ended with the last day of such fiscal quarter, in each case setting forth comparative figures for the corresponding fiscal quarter in the prior fiscal year, all of which shall be certified by a Financial Officer of Parent that they fairly present in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes.

(v) Annual Financial Statements of Parent. Within one hundred and twenty (120) days after the close of each of Parent's fiscal years, the consolidated balance sheet of Parent and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of earnings and cash flows for such fiscal year setting

forth comparative figures for the preceding fiscal year, all reported on by independent certified public accountants of recognized national standing (without a “going concern” or like qualification or exception) to the effect that such consolidated financial statements present fairly in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated.

(vi) Other Reports and Filings. Promptly (but in any event within ten (10) days) after the filing or delivery thereof, copies of all financial information, proxy materials and reports, if any, which Parent or any of its consolidated Subsidiaries shall publicly file with the SEC or deliver to holders (or any trustee, agent or other representative therefor) of any of its material Debt pursuant to the terms of the documentation governing the same.

(vii) Notwithstanding anything herein to the contrary, any financial information, proxy statements or other material required to be delivered pursuant to this paragraph (b) shall be deemed to have been furnished to each of the Administrative Agent and each Group Agent on the date that such report, proxy statement or other material is posted on the SEC’s website at www.sec.gov.

(c) Notices. The Servicer will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) Notice of Event of Termination, Non-Reinvestment Events, Unmatured Events of Termination or Unmatured Non-Reinvestment Events. A statement of a Financial Officer of the Servicer setting forth details of any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event that has occurred and is continuing and the action which the Servicer proposes to take with respect thereto.

(ii) Representations and Warranties. The failure of any representation or warranty made or deemed made by the Servicer under this Agreement or any other Transaction Document to be true and correct in any material respect when made.

(iii) Litigation. The institution of any litigation, arbitration proceeding or governmental proceeding on the Seller, the Servicer, the Performance Guarantor or any Originator which with respect to any Person other than the Seller could reasonably be expected to have a Material Adverse Effect.

(iv) Adverse Claim. (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or the Seller Collateral or any portion thereof (other than a Permitted Adverse Claim), (B) any Person other than the Seller, the Servicer or the Administrative Agent shall obtain any rights or direct any action with respect to any Blocked Account (other than a Permitted Adverse Claim) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) Change in Accountants or Accounting Policy. Any change in (i) the external accountants of the Seller, the Servicer, any Originator or the Parent or (ii) any material accounting policy of the Seller or any Originator that is relevant to the transactions contemplated by this Agreement or any other Transaction Document (it

being understood that any change to the manner in which any Originator accounts for the Pool Receivables shall be deemed “material” for such purpose).

(vi) Termination Event. The occurrence of a Purchase and Sale Termination Event.

(vii) Material Adverse Effect. The occurrence of any Material Adverse Effect.

(d) Compliance with Laws. The Servicer will comply with all Applicable Laws to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(e) Furnishing of Information and Inspection of Receivables. The Servicer will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. The Servicer will, at the Servicer’s expense, during regular business hours with, unless an Event of Termination or Non-Reinvestment Event has occurred and is continuing, five (5) Business Days prior written notice, (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables, the other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Servicer for the purpose of examining such books and records and (C) discuss matters relating to the Pool Receivables the other Sold Assets, the Seller Collateral or the Servicer’s performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Servicer (provided that representatives of the Servicer are present during such discussions) having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Servicer’s expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to the Pool Receivables, the other Sold Assets and the Seller Collateral; provided, that unless an Event of Termination or Non-Reinvestment Event has occurred and is continuing, (A) the Servicer shall be required to reimburse the Administrative Agent for reasonable documented out-of-pocket costs and expenses for only one (1) such review pursuant to clause (ii) above in any calendar year and (B) the Administrative Agent and the Group Agents hereby agree to coordinate their audits and inspections. Following the occurrence of an Event of Termination or Non-Reinvestment Event, the Administrative Agent may appoint a third party to monitor the servicing of the Pool Receivables, including the disposition of Collections received in the Collection Accounts. Upon the request of the Administrative Agent and the Majority Group Agents, following the Administrative Agent’s and the Majority Group Agents’ review of the results of an audit described in this Section, the Servicer agrees to review the findings set forth in such audit report with the Administrative Agent and each Group Agent and will work in good faith to promptly remediate any material findings.

(f) Payments on Receivables, Collection Accounts, Blocked Account, Lock-Boxes and Change in Payment Instructions to Obligors.

(i) The Servicer shall at all times, instruct all Obligors to deliver payments on the Pool Receivables to (i) so long as no Event of Termination or Non-Reinvestment Event has occurred and is continuing, a Blocked Account, Collection Account or a Lock-Box and (ii) if an Event of Termination or Non-Reinvestment Event has occurred and is continuing, to a Blocked Account. The Servicer shall, and shall cause each Originator to, promptly (but in any event within three (3) Business Days after receipt) remit all Collections received in a Collection Account or Lock-Box to the

Blocked Account. The Servicer shall, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to transfer such Collections to the Blocked Accounts. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within three (3) Business Days after receipt) remit such funds into a Blocked Account. The Servicer shall enforce its rights under each applicable Blocked Account Agreement. Following the occurrence of an Event of Termination or Non-Reinvestment Event, upon the request of the Administrative Agent, the Servicer shall cause the Administrative Agent to receive read-only access to each Collection Account or, if read-only access is not available for any Collection Account, daily account statements with respect to such Collection Account. The Servicer shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Blocked Account. If such funds are nevertheless deposited into any Blocked Account, the Servicer will within three (3) Business Days identify and transfer such funds to the appropriate Person entitled to such funds. The Servicer shall only add a Collection Account (or a related Lock-Box), a Collection Account Bank, Blocked Account or Blocked Account Bank to those listed on Schedule II-A or Schedule II-B to this Agreement, if the Administrative Agent has received notice of such addition and, with respect to a Blocked Account, an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Blocked Account Bank. The Servicer shall only terminate an Account Control Agreement or close a Collection Account (or a related Lock-Box) or Blocked Account with the prior written consent of the Administrative Agent.

(ii) The Servicer shall not (and shall not permit any Sub-Servicer to) add, replace or terminate any Collection Account (or any related Lock-Box) or Blocked Account or make any change in its instructions to the Obligor regarding payments to be made to the Collection Accounts (or any related Lock-Box) or Blocked Account, other than any instruction to remit payments to a Collection Account (or any related Lock-Box) or Blocked Account, unless the Administrative Agent shall have received (i) prior written notice of such addition, termination or change and (ii) with respect to a Blocked Account, a signed and acknowledged Account Control Agreement (or an amendment thereto) with respect to such new Blocked Accounts (or any related Lock-Box) and the Administrative Agent shall have consented to such change in writing; provided, that upon the Administrative Agent's consent, Schedule II-A or Schedule II-B, as applicable, shall be deemed to be amended to include such new Collection Account, Lock-Box Account or Blocked Account.

(iii) The Servicer shall ensure that no more than 5.00% of all funds deposited to the Collection Accounts (in the aggregate) during any Fiscal Month constitute funds other than Collections.

(g) Extension or Amendment of Pool Receivables. Except as otherwise permitted in Section 9.02, the Servicer will not alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Servicer shall at its expense comply in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(h) Change in Credit and Collection Policy. Except as required by Applicable Law, the Servicer will not make any change in the Credit and Collection Policy that could reasonably be expected to adversely affect the value, validity, collectability or enforceability of the Receivables or decrease the credit quality of any newly created Receivables (in each case,

taken as a whole) without the prior written consent of the Administrative Agent and the Majority Group Agents. Promptly following any change in the Credit and Collection Policy, the Servicer will deliver a copy of the updated Credit and Collection Policy to the Administrative Agent.

(i) Records. The Servicer will maintain and implement administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(j) Identifying of Records. The Servicer shall identify its master data processing records relating to Pool Receivables and related Contracts with a legend that indicates that the Pool Receivables have been sold in accordance with this Agreement.

(k) Ownership Interest, Further Assurances, etc. The Servicer shall, at its expense, take all action necessary or reasonably desirable to establish and maintain a valid and enforceable ownership or security interest in the Sold Assets and Seller Collateral, and first priority perfected security interest in the Sold Assets and Seller Collateral, in each case free and clear of any Adverse Claim (other than Permitted Adverse Claims) in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Servicer shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections (subject to Permitted Adverse Claims). The Servicer shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest (subject to Permitted Adverse Claims). The Administrative Agent's approval of such filings shall authorize the Servicer to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Servicer shall not 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 filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(l) Transaction Information. None of the Servicer, any Affiliate of the Servicer or any third party contracted by the Servicer or any Affiliate thereof, shall deliver, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency, and will not participate in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(m) Seller's Tax Status. The Servicer shall not take or cause any action to be taken that could result in the Seller (i) being treated other than as a "disregarded entity" within the meaning of U.S. Treasury Regulation § 301.7701-3 for U.S. federal income tax purposes that is disregarded as separate from a United States person (within the meaning of Section

7701(a)(30) of the Code) or (ii) becoming an association taxable as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(n) Credit Risk Retention. The Servicer shall, and shall cause each Originator to, cooperate with each Purchaser Party (including by providing such information and entering into or delivering such additional agreements or documents reasonably requested by such Purchaser Party) to the extent reasonably necessary to assure such Purchaser Party that the Originators retain credit risk in the amount and manner required by the Credit Risk Retention Rules and to permit such Purchaser Party to perform its due diligence and monitoring obligations (if any) under the Credit Risk Retention Rules.

(o) Collection Accounts. The Servicer shall cause each Originator to maintain each Collection Account and Lock-Box in the name of the applicable Originator identified on Schedule II-A, and ensure that such Originator owns and has good and marketable title to the applicable Collection Account or Lock-Box free and clear of any Adverse Claim (other than Permitted Adverse Claims).

(p) [Reserved].

Section 1.08 Separate Existence of the Seller. Each of the Seller and the Servicer hereby acknowledges that the Secured Parties, the Group Agents and the Administrative Agent are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Seller's identity as a legal entity separate from any Originator, the Servicer, the Performance Guarantor and their Affiliates. Therefore, each of the Seller and Servicer shall take all steps specifically required by this Agreement or reasonably required by the Administrative Agent or any Group Agent to continue the Seller's identity as a separate legal entity and to make it apparent to third Persons that the Seller is an entity with assets and liabilities distinct from those of the Performance Guarantor, the Originators, the Servicer and any other Person, and is not a division of the Performance Guarantor, the Originators, the Servicer, its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to and consistent with the other covenants set forth herein, each of the Seller and the Servicer shall take such actions as shall be required in order that:

(a) Special Purpose Entity. The Seller will be a special purpose company whose primary activities are restricted in its Limited Liability Company Agreement to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, collecting, granting security interests or selling interests in the Sold Assets and the Seller Collateral, (ii) entering into agreements for the selling, servicing and financing of the Receivables Pool (including the Transaction Documents) and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities.

(b) No Other Business or Debt. The Seller shall not engage in any business or activity except as set forth in this Agreement and the other Transaction Documents nor, incur any indebtedness or liability other than as expressly permitted by the Transaction Documents.

(c) Independent Director. Not fewer than one member of the Seller's board of directors (the "Independent Director") shall be a natural person who (A) for the five year period prior to his or her appointment as an Independent Director, has not been, and during the continuation of his or her service as an Independent Director is not (i) an equityholder, director, officer, manager, member, partner, officer, employee or associate, or any relative of the foregoing, of any member of the Parent Group (as hereinafter defined) (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote special purpose entity of any member or members of the Parent Group), (ii) a customer or supplier of any member of the Parent Group (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote

special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Parent Group), (iii) any member of the immediate family of a person described in (i) or (ii) above, and (B) has (x) prior experience as an independent director for a corporation or limited liability company whose organizational or charter documents required the unanimous consent of all independent directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (y) at least three 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. For purposes of this clause (c), “Parent Group” shall mean (i) the Parent, the Servicer, the Performance Guarantor and each Originator, (ii) each person that directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, five percent (5%) or more of the membership interests in the Parent, (iii) each person that controls, is controlled by or is under common control with the Parent and (iv) each of such person’s officers, directors, managers, joint venturers and partners. For the purposes of this definition, “control” of a person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise. A person shall be deemed to be an “associate” of (A) a corporation or organization of which such person is an officer, director, partner or manager or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities, (B) any trust or other estate in which such person serves as trustee or in a similar capacity and (C) any relative or spouse of a person described in clause (A) or (B) of this sentence, or any relative of such spouse.

The Seller shall (A) give written notice to the Administrative Agent of the election or appointment, or proposed election or appointment, of a new Independent Director of the Seller, which notice shall be given not later than ten (10) Business Days prior to the date such appointment or election would be effective (except when such election or appointment is necessary to fill a vacancy caused by the death, disability, or incapacity of the existing Independent Director, or the failure of such Independent Director to satisfy the criteria for an Independent Director set forth in this clause (c), in which case the Seller shall provide written notice of such election or appointment within one (1) Business Day) and (B) with any such written notice, certify to the Administrative Agent that the Independent Director satisfies the criteria for an Independent Director set forth in this clause (c).

The Seller’s Limited Liability Company Agreement shall provide that: (A) the Seller’s board of directors shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Seller unless the Independent Director shall approve the taking of such action in writing before the taking of such action and (B) such provision and each other provision requiring an Independent Director cannot be amended without the prior written consent of the Independent Director.

The Independent Director shall not at any time serve as a trustee in bankruptcy for the Seller, the Parent, the Performance Guarantor, any Originator, the Servicer or any of their respective Affiliates.

(d) Organizational Documents. The Seller shall maintain its organizational documents in conformity with this Agreement, such that it does not amend, restate, supplement or otherwise modify its ability to comply with the terms and provisions of any of the Transaction Documents, including, without limitation, Section 8.01(q).

(e) Conduct of Business. The Seller shall conduct its affairs strictly in accordance with its organizational documents and observe all necessary, appropriate and customary company formalities, including, but not limited to, holding all regular and special

members' and board of directors' meetings appropriate to authorize all company action, keeping separate and accurate minutes of its meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and intercompany transaction accounts.

(f) Compensation. Any employee, consultant or agent of the Seller will be compensated from the Seller's funds for services provided to the Seller, and to the extent that Seller shares the same officers or other employees as the Servicer (or any other Affiliate thereof), the salaries and expenses relating to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with such common officers and employees. The Seller will not engage any agents other than its attorneys, auditors and other professionals, and a Servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which Servicer will be fully compensated for its services by payment of the Servicing Fee.

(g) Servicing and Costs. The Seller will contract with the Servicer to perform for the Seller all operations required on a daily basis to service the Receivables Pool. The Seller will not incur any indirect or overhead expenses for items shared with the Servicer (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Seller (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered.

(h) Operating Expenses. The Seller's operating expenses will not be paid by the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof.

(i) Stationary. The Seller will have its own separate stationary.

(j) Books and Records. The Seller's books and records will be maintained separately from those of the Servicer, the Parent, the Performance Guarantor, the Originators and any of their Affiliates and in a manner such that it will not be difficult or costly to segregate, ascertain or otherwise identify the assets and liabilities of the Seller.

(k) Disclosure of Transactions. All financial statements of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof that are consolidated to include the Seller will disclose that (i) the Seller's sole business consists of the purchase or acceptance through capital contributions of the Receivables and Related Rights from the Originators and the subsequent retransfer of or granting of a security interest in such Receivables and Related Rights to the Administrative Agent pursuant to this Agreement, (ii) the Seller is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Seller's assets prior to any assets or value in the Seller becoming available to the Seller's equity holders and (iii) the assets of the Seller are not available to pay creditors of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof.

(l) Segregation of Assets. The Seller's assets will be maintained in a manner that facilitates their identification and segregation from those of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof; provided that Collections may initially be deposited into Collection Accounts and Lock-Boxes and commingled with Originator funds therein as contemplated under Section 8.01(h).

(m) Corporate Formalities. The Seller will strictly observe limited liability company formalities in its dealings with the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof, and funds or other assets of the Seller will not be commingled with those of the Servicer, the Parent, the Performance Guarantor, the Originators

or any Affiliates thereof except as permitted by this Agreement in connection with servicing the Pool Receivables. The Seller shall not maintain joint bank accounts or other depository accounts to which the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof (other than the Servicer solely in its capacity as such) has independent access. The Seller is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of the Servicer, the Parent, the Performance Guarantor, the Originators or any Subsidiaries or other Affiliates thereof. The Seller will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Seller and such Affiliate.

(n) Arm's-Length Relationships. The Seller will maintain arm's-length relationships with the Servicer, the Parent, the Performance Guarantor, the Originators and any Affiliates thereof. Any Person that renders or otherwise furnishes services to the Seller will be compensated by the Seller at market rates for such services it renders or otherwise furnishes to the Seller. Neither the Seller on the one hand, nor the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Seller, the Servicer, the Parent, the Performance Guarantor, the Originators and their respective Affiliates will promptly correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity.

(o) Allocation of Overhead. To the extent that Seller, on the one hand, and the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, have offices in the same location, there shall be a fair and appropriate allocation of overhead costs between them, and the Seller shall bear its fair share of such expenses, which may be paid through the Servicing Fee or otherwise.

ADMINISTRATION AND COLLECTION OF RECEIVABLES

Section 1.09 Appointment of the Servicer.

(a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section 9.01. Until the Administrative Agent gives notice to DXC (in accordance with this Section 9.01) of the designation of a new Servicer, DXC is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of an Event of Termination, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (at the direction of the Majority Group Agents) designate as Servicer any Person (including itself) to succeed DXC or any successor Servicer, on the condition in each case that any such Person so designated shall agree to perform the duties and obligations of the Servicer pursuant to the terms hereof.

(b) Upon the designation of a successor Servicer as set forth in clause (a) above, DXC agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrative Agent reasonably determines will facilitate the transition of the performance of such activities to the new Servicer, and DXC shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of records (including all Contracts) related to Pool Receivables and use by the new Servicer of all licenses (or the obtaining of new licenses), hardware or software necessary or reasonably desirable to collect the Pool Receivables

and the Related Security. The Servicer shall not be required, to the extent it has an ownership interest in any hardware, software or licenses, to transfer, assign, set-over or otherwise convey such ownership interests to the Administrative Agent. In recognition of the Servicer's need to have access to any records that may be transferred to the Administrative Agent (or its designee), whether as a result of its continuing responsibility as a servicer of accounts receivable that are not sold under the Transaction Documents or otherwise, the Administrative Agent (or its designee) shall provide to the Servicer reasonable access to such records in connection with any activity arising in the ordinary course of the Servicer's business; provided, that the Servicer shall not disrupt or otherwise interfere with the Administrative Agent's (or its designee's) use of and access to such records.

(c) DXC acknowledges that, in making its decision to execute and deliver this Agreement, the Administrative Agent and each member in each Group have relied on DXC's agreement to act as Servicer hereunder. Accordingly, DXC agrees that it will not voluntarily resign as Servicer without the prior written consent of the Administrative Agent and the Majority Group Agents.

(d) The Servicer may delegate its duties and obligations hereunder to any sub-servicer (each a "Sub-Servicer"); provided, that, in each such delegation: (i) such Sub-Servicer shall agree in writing to perform the delegated duties and obligations of the Servicer pursuant to the terms hereof, (ii) the Servicer shall remain liable for the performance of the duties and obligations so delegated, (iii) the Seller, the Administrative Agent, each Purchaser and each Group Agent shall have the right to look solely to the Servicer for performance, (iv) the terms of any agreement with any Sub-Servicer shall provide that the Administrative Agent may terminate such agreement upon the termination of the Servicer hereunder by giving notice of its desire to terminate such agreement to the Servicer (and the Servicer shall provide appropriate notice to each such Sub-Servicer) and (v) if such Sub-Servicer is not an Affiliate of the Parent, the Administrative Agent and the Majority Group Agents shall have consented in writing in advance to such delegation.

Section 1.10 Duties of the Servicer.

(a) The Servicer shall take or cause to be taken all such action as may be necessary or reasonably advisable to service, administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all Applicable Laws, with reasonable care and diligence, and in accordance with the Credit and Collection Policy and consistent with the past practices of the Originators. The Servicer shall set aside, for the accounts of each Group, the amount of Collections to which each such Group is entitled in accordance with Article IV hereof. The Servicer may, in accordance with the Credit and Collection Policy and consistent with past practices of the Originators, take such action, including modifications, waivers or restructurings of Pool Receivables and related Contracts, as the Servicer may reasonably determine to be appropriate to maximize Collections thereof or reflect adjustments expressly permitted under the Credit and Collection Policy or as expressly required under Applicable Laws or the applicable Contract; provided, that for purposes of this Agreement: (i) such action shall not, and shall not be deemed to, change the number of days such Pool Receivable has remained unpaid from the date of the original due date related to such Pool Receivable, (ii) such action shall not alter the status of such Pool Receivable as a Delinquent Receivable or a Defaulted Receivable or limit the rights of any Secured Party under this Agreement or any other Transaction Document and (iii) if an Event of Termination has occurred and is continuing, the Servicer may take such action only upon the prior written consent of the Administrative Agent. The Seller shall deliver to the Servicer and the Servicer shall hold for the benefit of the Administrative Agent (individually and for the benefit of each Group), in accordance with their respective interests, all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, if an Event of Termination has occurred and is continuing, the Administrative

Agent may direct the Servicer to commence or settle any legal action to enforce collection of any Pool Receivable that is a Defaulted Receivable or to foreclose upon or repossess any Related Security with respect to any such Defaulted Receivable.

(b) The Servicer's obligations hereunder shall terminate on the Final Payout Date. Promptly following the Final Payout date, the Servicer shall deliver to the Seller all books, records and related materials that the Seller previously provided to the Servicer, or that have been obtained by the Servicer, in connection with this Agreement.

Section 1.11 Blocked Account Arrangements. Prior to the Closing Date, the Seller shall have entered into Account Control Agreements with all of the Blocked Account Banks and delivered executed counterparts of each to the Administrative Agent. Upon the occurrence and during the continuance of an Event of Termination or Non-Reinvestment Event, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (upon the direction of the Majority Group Agents) at any time thereafter give notice to each Blocked Account Bank that the Administrative Agent is exercising its rights under the Account Control Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Blocked Accounts and the Blocked Accounts transferred to the Administrative Agent (for the benefit of the Secured Parties) and to exercise exclusive dominion and control over the funds deposited therein, (b) to have the proceeds that are sent to the respective Blocked Accounts redirected pursuant to the Administrative Agent's instructions rather than deposited in the applicable Blocked Account and (c) to take any or all other actions permitted under the applicable Account Control Agreement. The Seller hereby agrees that if the Administrative Agent at any time takes any action set forth in the preceding sentence, the Administrative Agent shall have exclusive control (for the benefit of the Secured Parties) of the proceeds (including Collections) of all Pool Receivables and the Seller hereby further agrees to take any other action that the Administrative Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Seller or the Servicer thereafter shall be sent immediately to, or as otherwise instructed by, the Administrative Agent.

Section 1.12 Enforcement Rights.

(a) At any time following the occurrence and during the continuation of an Event of Termination or, solely in the case of clauses (iv) and (vi) below, a Non-Reinvestment Event:

(i) the Administrative Agent (at the Seller's expense) may direct the Obligors that payment of all amounts payable under any Pool Receivable is to be made directly to the Administrative Agent or its designee and, without limiting the foregoing, the Administrative Agent may (and at the direction of the Majority Group Agents, shall) direct Obligors to cease remitting Collections to the Collection Accounts or Lock-Boxes and remit payments of Collections to the Blocked Accounts or such other accounts as the Administrative Agent may so designate;

(ii) the Administrative Agent may instruct the Seller or the Servicer to give notice of the Secured Parties' interest in Pool Receivables to each Obligor, which notice shall direct that payments be made directly to the Administrative Agent or its designee (on behalf of the Secured Parties), and the Seller or the Servicer, as the case may be, shall give such notice at the expense of the Seller or the Servicer, as the case may be; provided, that if the Seller or the Servicer, as the case may be, fails to so notify each Obligor within two (2) Business Days following instruction by the Administrative Agent, the Administrative Agent (at the Seller's or the Servicer's, as the case may be, expense) may so notify the Obligors;

(iii) the Administrative Agent may request the Servicer to, and upon such request the Servicer shall segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner reasonably acceptable to the Administrative Agent and, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrative Agent or its designee;

(iv) notify the Blocked Account Banks that the Seller and the Servicer will no longer have any access to the Blocked Accounts;

(v) the Administrative Agent may (or, at the direction of the Majority Group Agents shall) replace the Person then acting as Servicer; and

(vi) the Administrative Agent may collect any amounts due from an Originator under the Purchase and Sale Agreement or the Performance Guarantor under the Performance Guaranty.

(b) The Seller hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Seller, which appointment is coupled with an interest, to take any and all steps in the name of the Seller and on behalf of the Seller necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Seller on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

(c) The Servicer hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Servicer, which appointment is coupled with an interest, to take any and all steps in the name of the Servicer and on behalf of the Servicer necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Servicer on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

Section 1.13 Responsibilities of the Seller.

(a) Anything herein to the contrary notwithstanding, the Seller shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrative Agent, or any other Purchaser Party of their respective rights hereunder shall not relieve the Seller from such obligations and (ii) pay when due any taxes, including any sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. None of the Purchaser Parties shall have any obligation or liability with respect to

any Sold Assets or Seller Collateral, nor shall any of them be obligated to perform any of the obligations of the Seller, the Servicer or any Originator thereunder.

(b) DXC hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, DXC shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that DXC conducted such data-processing functions while it acted as the Servicer. In connection with any such processing functions, the Seller shall pay to DXC its reasonable out-of-pocket costs and expenses from the Seller's own funds (subject to the priority of payments set forth in Section 4.01).

Section 1.14 Servicing Fee.

(a) Subject to clause (b) below, the Seller shall pay the Servicer a fee (the "Servicing Fee") equal to 1.00% per annum (the "Servicing Fee Rate") of the daily average aggregate Outstanding Balance of the Pool Receivables. Accrued Servicing Fees shall be payable from Collections to the extent of available funds in accordance with Section 4.01.

(b) If the Servicer ceases to be DXC or an Affiliate thereof, the Servicing Fee shall be the greater of: (i) the amount calculated pursuant to clause (a) above and (ii) an alternative amount specified by the successor Servicer not to exceed 110% of the aggregate reasonable costs and expenses incurred by such successor Servicer in connection with the performance of its obligations as Servicer hereunder.

Section 1.15 Excluded Obligors.

(a) So long as each of the Exclusion Conditions shall be satisfied, the Servicer may, from time to time and at its sole discretion, request that certain Obligors be designated as Excluded Obligor by delivering an Excluded Obligor Request to the Administrative Agent and each Group Agent, which Excluded Obligor Request shall (i) list the names of such proposed Excluded Obligors and (ii) specify the proposed Excluded Obligor Date with respect to such proposed Excluded Obligors (which date shall be no less than ten (10) Business Days following the date of such Excluded Obligor Request, unless consented to by the Administrative Agent in its sole discretion); provided, however, that the Servicer shall not deliver more than one Excluded Obligor Request per fiscal quarter without the consent of the Administrative Agent. For purposes of this Section 9.07, "Exclusion Conditions" means, as of any date of determination, the satisfaction of all of the following conditions on such date: (i) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, or would result from the proposed designation of such Obligors as Excluded Obligors, (ii) after giving effect to such proposed designation of such Obligors as Excluded Obligors, no Capital Coverage Deficit exists or would exist, and the Aggregate Capital does not exceed the Facility Limit, (iii) the sum of (x) the related Excluded Receivables of such proposed Excluded Obligors, plus (y) the related aggregated Excluded Receivables of each Excluded Obligor designated as such pursuant to this Section 9.07 during the then-current fiscal year shall not exceed 5.00% of the average aggregate Outstanding Balance of all Pool Receivables for each fiscal year, and (iv) the Termination Date has not occurred.

(b) So long as (i) as of the applicable Excluded Obligor Date and after giving effect to such Obligor's designation as an Excluded Obligor, each of the Exclusion Conditions have been satisfied and (ii) the Administrative Agent has acknowledged in writing to such Obligor's designation as an Excluded Obligor, such acknowledgement not to be unreasonably withheld, then (x) upon the countersignature by the Administrative Agent of such Excluded Obligor Request, such proposed Excluded Obligor shall constitute an Excluded Obligor as of the

related Excluded Obligor Date and shall no longer constitute an Obligor for purposes of the Transaction Documents except with respect to Receivables originated prior to the Excluded Obligor Date and (y) the Administrative Agent (or the Servicer on its behalf) shall, in each case at the expense of the Seller, (I) file on or promptly following the related Excluded Obligor Date and at the sole expense of the Seller, one or more UCC-3 financing statement amendments, in form and substance satisfactory to the Administrative Agent, with respect to UCC-1 financing statements filed against the applicable Originator in connection with the Transaction Documents releasing the Administrative Agent's security interest or other rights in the Receivables created on or after the related Excluded Obligor Date, the Obligor of which is such Excluded Obligor, and all Related Security related thereto so long as such Related Security relates solely to such Excluded Receivables and (II) take such other actions as may be reasonably necessary to evidence the release of, in each case, the Administrative Agent's security interest or other rights in the Receivables created on or after the related Excluded Obligor Date, the Obligor of which is such Excluded Obligor, and all Related Security related thereto so long as such Related Security relates solely to such Excluded Receivables.

(c) Each of the parties hereto hereby acknowledge and agree that no Receivable, the Obligor of which is an Excluded Obligor, that was originated prior to the related Excluded Obligor Date shall be transferred and assigned by the Seller to the related Originator or any other Person and all such Receivables shall remain in the Receivables Pool. However, any Receivable, the Obligor of which is an Excluded Obligor, that was originated after the related Excluded Obligor Date shall not be part of the Receivables Pool hereunder.

EVENTS OF TERMINATION

Section 1.16 Events of Termination. If any of the following events (each an "Event of Termination") shall occur:

(a) (i) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to perform or observe any term, covenant or agreement under this Agreement or any other Transaction Document (other than any such failure which would constitute an Event of Termination under clause (ii) or (iii) of this paragraph (a)), and such failure, solely to the extent capable of cure, shall continue for thirty (30) days after the earlier to occur of (A) written notice thereof having been given to the Seller, any Originator, the Performance Guarantor or the Servicer by the Administrative Agent or any Purchaser or (B) actual knowledge thereof by the Seller, any Originator, the Performance Guarantor or the Servicer of such failure; (ii) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to make when due (x) any payment or deposit to be made by it under this Agreement or any other Transaction Document (including, for the avoidance of doubt, any remittance required to be made from a Collection Account or Lock-Box to a Blocked Account pursuant to Section 8.01(h) or 8.02(f)) and such failure shall continue unremedied for two (2) Business Days; or (iii) DXC shall resign as Servicer, and no successor Servicer reasonably satisfactory to the Administrative Agent shall have been appointed;

(b) any representation or warranty made or deemed made by the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective officers) under or in connection with this Agreement or any other Transaction Document or any information or report delivered by the Seller, any Originator, the Performance Guarantor or the Servicer pursuant to this Agreement or any other Transaction Document (unless such representation or warranty relates solely to one or more specific Pool Receivables and Seller makes a Deemed Collection payment with respect to such Pool Receivable in accordance with Section 4.01(d)), shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered; provided, however, that such circumstance shall not constitute an Event of

Termination pursuant to this clause (b) if, solely to the extent capable of cure, such breach is cured promptly (but not later than fifteen (15) days);

(c) the Seller or the Servicer shall fail to deliver an Information Package pursuant to this Agreement, and such failure shall remain unremedied for two (2) Business Days;

(d) this Agreement or any security interest granted pursuant to this Agreement or any other Transaction Document shall for any reason cease to create, or for any reason cease to be, a valid and enforceable first priority perfected security interest in favor of the Administrative Agent with respect to the Sold Assets or Seller Collateral, free and clear of any Adverse Claim (other than Permitted Adverse Claims);

(e) the Seller, any Originator, the Performance Guarantor or the Servicer shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any Insolvency Proceeding shall be instituted by or against the Seller, any Originator, the Performance Guarantor or the Servicer and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Seller, any Originator, the Performance Guarantor or the Servicer shall take any corporate or organizational action to authorize any of the actions set forth above in this paragraph;

(f) a Change in Control shall occur;

(g) a Capital Coverage Deficit shall occur, and shall not have been cured within three (3) Business Days;

(h) (i) the Seller shall fail to pay any principal of or premium or interest on any of its Debt when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (ii) any Originator, the Performance Guarantor or the Servicer, or any Significant Subsidiary, individually or in the aggregate, shall fail to pay any principal of or premium or interest on any of its Debt that is outstanding in a principal amount of at least \$250,000,000 in the aggregate when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (iii) any other event shall occur or condition shall exist under any agreement, mortgage, indenture or instrument relating to any such Debt (as referred to in clause (i) or (ii) of this paragraph) and shall continue after the applicable grace period, if any, specified in such agreement, mortgage, indenture or instrument (whether or not such failure shall have been waived under the related agreement), if the effect of such event or condition is to give the applicable debtholders the right (whether acted upon or not) to accelerate the maturity of such Debt (as referred to in clause (i) or (ii) of this paragraph) or to terminate the commitment of any lender thereunder; or (iv) any such Debt (as referred to in clause (i) or (ii) of this paragraph) shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt shall be required to be made or the commitment of any lender thereunder terminated, in each case before the stated maturity thereof;

(i) the Seller shall fail (x) at any time (other than for ten (10) Business Days following notice of the death or resignation of any Independent Director) to have an Independent Director who satisfies each requirement and qualification specified in Section 8.03(c) of this Agreement for Independent Directors, on the Seller's board of directors or (y) to timely notify the Administrative Agent of any replacement or appointment of any director that is to serve as an Independent Director on the Seller's board of directors as required pursuant to Section 8.03(c) of this Agreement;

(j) (i) there occurs one or more ERISA Events which individually or in the aggregate results in liability to Parent or any of its ERISA Affiliates in excess of \$250,000,000 over the amount previously reflected for any such liabilities, in accordance with GAAP, on the financial statements delivered pursuant to Section 8.02(b)(v); or (ii) Parent or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred an aggregate Withdrawal Liability for all years to such Multiemployer Plan in an amount that, when aggregated with all other amounts required to be paid to Multiemployer Plans by Parent and its ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), exceeds \$250,000,000; or (iii) Parent or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is insolvent, in reorganization or is being terminated or has been determined to be "endangered" or "critical" status, within the meaning of Title IV or ERISA, if as a result of such event the aggregate annual contributions of Parent and its ERISA Affiliates to all Multiemployer Plans that are then insolvent or being terminated or have been determined to be in endangered or critical status have been or will be increased over the amounts contributed to such Multiemployer Plans for the plan year of such Multiemployer Plan immediately preceding the plan year in which the event occurs by an amount exceeding, in each case, a liability to Parent or its ERISA Affiliates of more than \$250,000,000;

(k) the Seller shall be required to register as an "investment company" within the meaning of the Investment Company Act;

(l) any material provision of this Agreement or any other Transaction Document shall cease to be in full force and effect or any of the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective Affiliates) shall so state in writing; or

(m) any judgment or order for the payment of money in excess of \$250,000,000 (or solely with respect to the Seller, \$15,775) shall be rendered against the Seller, any Originator, the Performance Guarantor or the Servicer, or any Significant Subsidiary of any and is not promptly paid by the Seller, such Originator, the Performance Guarantor or the Servicer or any such Significant Subsidiary and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; provided, however, that any such judgment or order shall not be an Event of Termination under this Section 10.01(m) if and to the extent that (x) the amount of such judgment or order is covered by a valid and binding policy of insurance covering payment thereof, (y) such insurer shall be rated at least "A-" by A.M. Best Company and Parent deems the recovery as "probable" in its financial statements and (z) such insurer has been notified of, and has not disputed the claim made for payment of, the amount of such judgment or order;

then, and in any such event, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Seller (x) declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred), (y) declare the Seller Obligation Final Due Date to have occurred (in which case the Seller Obligation Final Due Date shall be deemed to have occurred) and (z) declare the Aggregate Capital and all other Seller

Obligations to be immediately due and payable (in which case the Aggregate Capital and all other Seller Obligations shall be immediately due and payable); provided that, automatically upon the occurrence of any event (without any requirement for the giving of notice) described in subsection (e) of this Section 10.01 with respect to the Seller, the Termination Date shall occur and the Aggregate Capital and all other Seller Obligations shall be immediately due and payable. Upon any such declaration or designation or upon such automatic termination, the Administrative Agent and the other Secured Parties shall have, in addition to the rights and remedies which they may have under this Agreement and the other Transaction Documents, all other rights and remedies provided after default under the UCC and under other Applicable Law, which rights and remedies shall be cumulative. Any proceeds from liquidation of the Sold Assets and the Seller Collateral shall be applied in the order of priority set forth in Section 4.01.

THE ADMINISTRATIVE AGENT

Section 1.17 Authorization and Action. Each Purchaser Party hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against the Administrative Agent. The Administrative Agent does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Seller or any Affiliate thereof or any Purchaser Party except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall the Administrative Agent ever be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 1.18 Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement (including, without limitation, the Administrative Agent's servicing, administering or collecting Pool Receivables in the event it replaces the Servicer in such capacity pursuant to Section 9.01), in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Administrative Agent: (a) may consult with legal counsel (including counsel for any Purchaser Party or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Purchaser Party or to inspect the property (including the books and records) of any Purchaser Party; (d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 1.19 Administrative Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also the Administrative Agent, such

Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser Party and may exercise the same as though it were not the Administrative Agent. The Administrative Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof, all as if the Administrative Agent were not the Administrative Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 1.20 Indemnification of Administrative Agent. Each Committed Purchaser agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the respective Percentage of such Committed Purchaser, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by the Administrative Agent under this Agreement or any other Transaction Document; provided that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct.

Section 1.21 Delegation of Duties. The Administrative Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 1.22 Action or Inaction by Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take action under any Transaction Document unless it shall first receive such advice or concurrence of the Group Agents or the Majority Group Agents, as the case may be, and assurance of its indemnification by the Committed Purchasers, as it deems appropriate. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Transaction Document in accordance with a request or at the direction of the Group Agents or the Majority Group Agents, as the case may be, and such request or direction and any action taken or failure to act pursuant thereto shall be binding upon all Purchaser Parties. The Purchaser Parties and the Administrative Agent agree that unless any action to be taken by the Administrative Agent under a Transaction Document (i) specifically requires the advice or concurrence of all Group Agents or (ii) may be taken by the Administrative Agent alone or without any advice or concurrence of any Group Agent, then the Administrative Agent may take action based upon the advice or concurrence of the Majority Group Agents.

Section 1.23 Notice of Events of Termination or Non-Reinvestment Events; Action by Administrative Agent. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event unless the Administrative Agent has received notice from any Purchaser Party, the Servicer or the Seller stating that an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred hereunder and describing such Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event. If the Administrative Agent receives such a notice, it shall promptly give notice thereof to each Group Agent, whereupon each Group Agent shall promptly give notice thereof to its respective Conduit Purchaser(s) and Related Committed Purchaser(s). The Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, concerning an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event or any other matter hereunder as the Administrative Agent deems advisable and in the best interests of the Secured Parties.

Section 1.24 Non-Reliance on Administrative Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Administrative Agent nor any of its directors, officers, agents or employees has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each Purchaser Party represents and warrants to the Administrative Agent that, independently and without reliance upon the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of, and investigation into, the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, each Originator, the Performance Guarantor or the Servicer and the Pool Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by the Administrative Agent to any Purchaser Party, the Administrative Agent shall not have any duty or responsibility to provide any Purchaser Party with any information concerning the Seller, any Originator, the Performance Guarantor or the Servicer that comes into the possession of the Administrative Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 1.25 Successor Administrative Agent.

(a) The Administrative Agent may, upon at least thirty (30) days' notice to the Seller, the Servicer and each Group Agent, resign as Administrative Agent. Except as provided below, such resignation shall not become effective until a successor Administrative Agent is appointed by the Majority Group Agents with the written consent of the Parent (such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that such consent shall not be required if an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing) as a successor Administrative Agent and has accepted such appointment. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents pursuant to the immediately preceding sentence, within ninety (90) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, appoint a successor Administrative Agent as successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents within one hundred twenty (120) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, petition a court of competent jurisdiction to appoint a successor Administrative Agent.

(b) Upon such acceptance of its appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights and duties of the resigning Administrative Agent, and the resigning Administrative Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Administrative Agent's resignation hereunder, the provisions of this Article XI and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent.

Section 1.26 Structuring Agent. Each of the parties hereto hereby acknowledges and agrees that the Structuring Agent shall not have any right, power, obligation, liability, responsibility or duty under this Agreement, other than the Structuring Agent's right to receive fees pursuant to Section 2.03. Each Purchaser Party acknowledges that it has not relied, and will not rely, on the Structuring Agent in deciding to enter into this Agreement and to take, or omit to take, any action under any Transaction Document.

Section 1.27 [Reserved].

Section 1.28 Benchmark Replacement Notification. Section 5.06 provides a mechanism for determining an alternative rate of interest in the event that Daily 1M SOFR or the Term SOFR Rate is no longer available or in certain other circumstances. The Administrative Agent does not warrant or accept any responsibility for and shall not have any liability with respect to, the administration, submission or any other matter related to Daily 1M SOFR or the Term SOFR Rate or with respect to any alternative or successor rate thereto, or replacement rate therefor.

Section 1.29 Erroneous Payments.

(a) If the Administrative Agent notifies a Purchaser, a Group Agent or a Secured Party, or any Person who has received funds on behalf of a Purchaser, a Group Agent or Secured Party (any such Purchaser, Group Agent, 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 Purchaser, Group Agent, 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 in writing 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 Purchaser, Group Agent 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 (2) 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 Overnight Bank Funding 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 Purchaser, Group Agent or Secured Party, or any Person who has received funds on behalf of a Purchaser, Group Agent or Secured Party such Purchaser, 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, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Purchaser, Group Agent or Secured Party, or other such 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 Purchaser, Group Agent 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 11.13(b).

(c) Each Purchaser, Group Agent or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Purchaser or Secured Party under any Transaction Document, or otherwise payable or distributable by the Administrative Agent to such Purchaser, Group Agent 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 Purchaser or Group Agent that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Administrative Agent’s notice to such Purchaser or Group Agent at any time, (i) such related Purchaser shall be deemed to have assigned its Capital (but not its Commitments) with respect to which such Erroneous Payment was made in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Capital (but not Commitments) 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 Seller) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, (ii) the Administrative Agent as the assignee Purchaser shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Purchaser shall become a Purchaser hereunder, with respect to such Erroneous Payment Deficiency Assignment and the assigning Purchaser shall cease to be a Purchaser 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 Purchaser and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Capital subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Capital 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 Purchaser shall be reduced by the net proceeds of the sale of such Capital (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Purchaser or related Group Agent (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Purchaser 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 Capital (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 Purchaser, related Group Agent or Secured Party under the Transaction Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Seller Obligations owed by the Seller or the Servicer, 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 Seller or the Servicer for the purpose of making such Erroneous Payment.

(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 11.13 shall survive the resignation or replacement of the Administrative Agent, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Seller Obligations (or any portion thereof) under any Transaction Document.

THE GROUP AGENTS

Section 1.1 Authorization and Action. Each Purchaser Party that belongs to a Group hereby appoints and authorizes the Group Agent for such Group to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Group Agent by the terms hereof, together with such powers as are reasonably incidental thereto. No Group Agent shall have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against any Group Agent. No Group Agent assumes, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with the Seller or any Affiliate thereof, any Purchaser except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall any Group Agent ever be required to take any action which exposes such Group Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 1.2 Group Agent’s Reliance, Etc. No Group Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as a Group Agent under or in connection with this Agreement or any other Transaction Documents in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, a Group Agent: (a) may consult with legal counsel (including counsel for the Administrative Agent, the Seller or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement or any other Transaction Document; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Transaction Document on the part of the Seller or any Affiliate thereof or any other Person or to inspect the property (including the books and records) of the Seller or

any Affiliate thereof; (d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Transaction Documents or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 1.3 Group Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also a Group Agent, such Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser and may exercise the same as though it were not a Group Agent. A Group Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof or any of their respective Affiliates, all as if such Group Agent were not a Group Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 1.4 Indemnification of Group Agents. Each Committed Purchaser in any Group agrees to indemnify the Group Agent for such Group (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the proportion of the Percentage of such Committed Purchaser to the aggregate Percentages of all Committed Purchasers in such Group, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Group Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by such Group Agent under this Agreement or any other Transaction Document; provided that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Group Agent's gross negligence or willful misconduct.

Section 1.5 Delegation of Duties. Each Group Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Group Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 1.6 Notice of Events of Termination and Non-Reinvestment Events. No Group Agent shall be deemed to have knowledge or notice of the occurrence of any Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event unless such Group Agent has received notice from the Administrative Agent, any other Group Agent, any other Purchaser Party, the Servicer or the Seller stating that an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred hereunder and describing such Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event. If a Group Agent receives such a notice, it shall promptly give notice thereof to the Purchaser Parties in its Group and to the Administrative Agent (but only if such notice received by such Group Agent was not sent by the Administrative Agent). A Group Agent may take such action concerning an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event as may be directed by Committed Purchasers in its Group representing a majority of the Commitments in such Group (subject to the other provisions of this Article XII), but until such Group Agent receives such directions, such Group Agent may (but shall not be obligated to) take such action, or refrain from taking such action, as such Group Agent deems advisable and in the best interests of the Conduit Purchasers and Committed Purchasers in its Group.

Section 1.7 Non-Reliance on Group Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Group Agent for its Group nor any of such Group

Agent's directors, officers, agents or employees has made any representations or warranties to it and that no act by such Group Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by such Group Agent. Each Purchaser Party represents and warrants to the Group Agent for its Group that, independently and without reliance upon such Group Agent, any other Group Agent, the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of, and investigation into, the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller or any Affiliate thereof and the Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by a Group Agent to any Purchaser Party in its Group, no Group Agent shall have any duty or responsibility to provide any Purchaser Party in its Group with any information concerning the Seller or any Affiliate thereof that comes into the possession of such Group Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 1.8 Successor Group Agent. Any Group Agent may, upon at least thirty (30) days' notice to the Administrative Agent, the Seller, the Servicer and the Purchaser Parties in its Group, resign as Group Agent for its Group. Such resignation shall not become effective until a successor Group Agent is appointed by the Purchaser(s) in such Group. Upon such acceptance of its appointment as Group Agent for such Group hereunder by a successor Group Agent, such successor Group Agent shall succeed to and become vested with all the rights and duties of the resigning Group Agent, and the resigning Group Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Group Agent's resignation hereunder, the provisions of this Article XII and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Group Agent.

Section 1.9 Reliance on Group Agent. Unless otherwise advised in writing by a Group Agent or by any Purchaser Party in such Group Agent's Group, each party to this Agreement may assume that (i) such Group Agent is acting for the benefit and on behalf of each of the Purchaser Parties in its Group, as well as for the benefit of each assignee or other transferee from any such Person and (ii) each action taken by such Group Agent has been duly authorized and approved by all necessary action on the part of the Purchaser Parties in its Group.

INDEMNIFICATION

Section 1.10 Indemnities by the Seller.

(a) Without limiting any other rights that the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a "Seller Indemnified Party") may have hereunder or under Applicable Law, the Seller hereby agrees to indemnify each Seller Indemnified Party from and against any and all claims, losses and liabilities (including Attorney Costs) (all of the foregoing being collectively referred to as "Seller Indemnified Amounts") arising out of or resulting from this Agreement or any other Transaction Document or the use of proceeds of the Investments or the security interest in respect of any Pool Receivable or any other Sold Assets or Seller Collateral; excluding, however, (a) Seller Indemnified Amounts to the extent a final non-appealable judgment of a court of competent jurisdiction holds that such Seller Indemnified Amounts resulted from the gross negligence or willful misconduct by the Seller Indemnified Party seeking indemnification and (b) Taxes that are covered by Section 5.03. Without limiting or being limited by the foregoing, the Seller shall pay on demand (it being understood that if any portion of such payment obligation is made from Collections, such payment will be made at the time and in the order of priority set forth in Section 4.01), to each Seller Indemnified Party any and all

amounts necessary to indemnify such Seller Indemnified Party from and against any and all Seller Indemnified Amounts relating to or resulting from any of the following (but excluding Seller Indemnified Amounts and Taxes described in clauses (a) and (b) above):

(i) any Pool Receivable which the Seller or the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any representation, warranty or statement made or deemed made by the Seller (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Seller pursuant hereto which shall have been untrue or incorrect when made or deemed made;

(iii) the failure by the Seller to comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the failure to vest in the Administrative Agent a first priority perfected ownership or security interest in all or any portion of the Sold Assets or Seller Collateral, in each case free and clear of any Adverse Claim;

(v) the failure to have filed, or any delay in filing, financing statements, financing statement amendments, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Pool Receivable, any other Sold Assets or any Seller Collateral and Collections in respect thereof, whether at the time of any Investment or at any subsequent time;

(vi) any dispute, claim or defense (other than discharge in bankruptcy) of an Obligor to the payment of any Pool Receivable (including, without limitation, a defense based on such Pool Receivable or the related Contract 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 or relating to collection activities with respect to such Pool Receivable;

(vii) any failure of the Seller to perform any of its duties or obligations in accordance with the provisions hereof and of each other Transaction Document related to Pool Receivables or to timely and fully comply with the Credit and Collection Policy in regard to each Pool Receivable;

(viii) any products liability, environmental or other claim arising out of or in connection with any Pool Receivable or other merchandise, goods or services which are the subject of or related to any Pool Receivable;

(ix) the commingling of Collections of Pool Receivables at any time with other funds, including any commingling in any Collection Account;

(x) any investigation, litigation or proceeding (actual or threatened) related to this Agreement or any other Transaction Document or the use of proceeds of any Investments or in respect of any Pool Receivable, any other Sold Assets or any Seller Collateral or any related Contract;

(xi) any failure of the Seller to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

(xii) any setoff with respect to any Pool Receivable;

(xiii) any claim brought by any Person other than a Seller Indemnified Party arising from any activity by the Seller or any Affiliate of the Seller in servicing, administering or collecting any Pool Receivable;

(xiv) the failure by the Seller to pay when due any taxes, including, without limitation, sales, excise or personal property taxes;

(xv) any failure of a Collection Account Bank to comply with the terms of the applicable Account Control Agreement or any amounts payable by the Administrative Agent to a Collection Account Bank under any Account Control Agreement;

(xvi) any dispute, claim, offset or defense (other than discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Pool Receivable (including, without limitation, a defense based on such Pool Receivable or the related Contract 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 goods or the rendering of services related to such Pool Receivable or the furnishing or failure to furnish any such goods or services or other similar claim or defense not arising from the financial inability of any Obligor to pay undisputed indebtedness;

(xvii) any action taken by the Administrative Agent as attorney-in-fact for the Seller, any Originator or the Servicer pursuant to this Agreement or any other Transaction Document;

(xviii) the use of proceeds of any Investment; or

(xix) any reduction in Capital as a result of the distribution of Collections if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason.

(b) Notwithstanding anything to the contrary in this Agreement, solely for purposes of the Seller's indemnification obligations in clauses (ii), (iii), (vii) and (xi) of this Article XIII, any representation, warranty or covenant qualified by the occurrence or non-occurrence of a material adverse effect or similar concepts of materiality shall be deemed to be not so qualified.

(c) If for any reason the foregoing indemnification is unavailable to any Seller Indemnified Party or insufficient to hold it harmless, then the Seller shall contribute to such Seller Indemnified Party the amount paid or payable by such Seller Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Seller and its Affiliates on the one hand and such Seller Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Seller and its Affiliates and such Seller Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Seller under this Section shall be in addition to any liability which the Seller may otherwise have, shall extend upon the same terms and conditions to each Seller Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Seller and the Seller Indemnified Parties.

(d) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

Section 1.11 Indemnification by the Servicer.

(a) The Servicer hereby agrees to indemnify and hold harmless the Seller, the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a “Servicer Indemnified Party”), from and against any loss, liability, expense, damage or injury suffered or sustained by reason of any acts, omissions or alleged acts or omissions arising out of activities of the Servicer pursuant to this Agreement or any other Transaction Document, including any judgment, award, settlement, Attorney Costs and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim (all of the foregoing being collectively referred to as, “Servicer Indemnified Amounts”); excluding (i) Servicer Indemnified Amounts to the extent a final non-appealable judgment of a court of competent jurisdiction holds that such Servicer Indemnified Amounts resulted from the gross negligence or willful misconduct by the Servicer Indemnified Party seeking indemnification, (ii) Taxes that are covered by Section 5.03 and (iii) Servicer Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy, lack of creditworthiness or other financial inability to pay of the related Obligor. Without limiting or being limited by the foregoing, the Servicer shall pay on demand, to each Servicer Indemnified Party any and all amounts necessary to indemnify such Servicer Indemnified Party from and against any and all Servicer Indemnified Amounts relating to or resulting from any of the following (but excluding Servicer Indemnified Amounts described in clauses (i), (ii) and (iii) above):

(i) any representation, warranty or statement made or deemed made by the Servicer (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Servicer pursuant hereto which shall have been untrue or incorrect when made or deemed made;

(ii) the failure by the Servicer to comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iii) the commingling of Collections of Pool Receivables at any time with other funds; or

(iv) any failure of the Servicer to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document.

(b) If for any reason the foregoing indemnification is unavailable to any Servicer Indemnified Party or insufficient to hold it harmless, then the Servicer shall contribute to the amount paid or payable by such Servicer Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Servicer and its Affiliates on the one hand and such Servicer Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Servicer and its Affiliates and such Servicer Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Servicer under this Section shall be in addition to any liability which the Servicer may otherwise have, shall extend upon the same terms and conditions to Servicer Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Servicer and the Servicer Indemnified Parties.

- (c) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

MISCELLANEOUS

Section 1.12 Amendments, Etc.

(a) No failure on the part of any Purchaser Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. No amendment or waiver of any provision of this Agreement or consent to any departure by any of the Seller or any Affiliate thereof shall be effective unless in a writing signed by the Administrative Agent and the Majority Group Agents (and, in the case of any amendment, also signed by the Seller), and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (A) no amendment, waiver or consent shall, unless in writing and signed by the Servicer, affect the rights or duties of the Servicer under this Agreement; and (B) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and each Group Agent:

- (i) change (directly or indirectly) the definitions of Capital Coverage Deficit, Defaulted Receivable, Delinquent Receivable, Eligible Receivable, Facility Limit, Seller Obligation Final Due Date, Net Receivables Pool Balance or Total Reserves contained in this Agreement, or increase the then existing Concentration Percentage for any Obligor or change the calculation of the Capital Coverage Amount;
- (ii) reduce the amount of Capital or Yield that is payable hereunder or delay any scheduled date for payment thereof;
- (iii) change any Event of Termination or Non-Reinvestment Event;
- (iv) other than a release or recovneynance of the Sold Assets or Seller Collateral in connection with an Excluded Obligor Request under Section 9.07, release all or a material portion of the Sold Assets or Seller Collateral from the Administrative Agent's security interest created hereunder;
- (v) release the Performance Guarantor from any of its obligations under the Performance Guaranty or terminate the Performance Guaranty;
- (vi) change any of the provisions of this Section 14.01 or the definition of "Majority Group Agents"; or
- (vii) change the order of priority in which Collections are applied pursuant to Section 4.01.

Notwithstanding the foregoing, (A) no amendment, waiver or consent shall increase any Committed Purchaser's Commitment hereunder without the consent of such Committed Purchaser, (B) no amendment, waiver or consent shall reduce any Fees payable by the Seller to any member of any Group or delay the dates on which any such Fees are payable, in either case, without the consent of the Group Agent for such Group and (C) no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Purchaser, except with respect to any amendment, waiver or other modification referred to in clauses (i) through (vii) above and then only in the event such Defaulting Purchaser shall be directly affected by such amendment, waiver or other modification.

Section 1.13 Notices, Etc. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing and unless otherwise stated shall be made by email or letter to each party hereto, at its address set forth under its name on Schedule III hereto or at such other address as shall be designated by such party in a written notice to the other parties hereto. All notices, requests and demands shall be deemed to have been duly given or made (a) when dispatched by email during the recipient's normal business hours when the confirmation showing the completed transmission has been received, or (b) if mailed via a reputable international courier, when it has been left at the relevant address or five (5) Business Days after being delivered to such reputable international courier, in an envelope addressed to the applicable person at that address and to the attention of the person(s) set forth above. Each party to this Agreement shall promptly inform the other parties hereto of any changes in their respective addresses, email address specified herein.

Section 1.14 Assignability; Addition of Purchasers.

(a) Assignment by Conduit Purchasers. This Agreement and the rights of each Conduit Purchaser hereunder (including its right to receive payments of Capital and Yield) shall be assignable by such Conduit Purchaser and its successors and permitted assigns (A) to any Program Support Provider of such Conduit Purchaser without prior notice to or consent from the Seller or any other party, or any other condition or restriction of any kind, (ii) to any other Purchaser with prior notice to the Seller but without consent from the Seller or (iii) with the prior written consent of the Servicer and Seller (such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that such consent shall not be required if an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing), to any other Eligible Assignee. Each assignor of Capital (or any portion thereof) or any interest therein may, in connection with the assignment or participation, disclose to the assignee or Participant any information relating to the Seller and its Affiliates, including the Receivables, furnished to such assignor by or on behalf of the Seller and its Affiliates or by the Administrative Agent; provided that, prior to any such disclosure, the assignee or Participant agrees to preserve the confidentiality of any confidential information relating to the Seller and its Affiliates received by it from any of the foregoing entities in a manner consistent with Section 14.06(b).

(b) Assignment by Committed Purchasers. Each Committed Purchaser may assign to any Eligible Assignee or to any other Committed Purchaser all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and any Capital or interests therein owned by it); provided, however that

(i) except for an assignment by a Committed Purchaser to either an Affiliate of such Committed Purchaser or any other Committed Purchaser (or, with respect to an assignment of Capital, a Conduit Purchaser in such Committed Purchaser's Group), each such assignment shall require the prior written consent of the Servicer and the Seller (such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that such consent shall not be required if an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing);

(ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement;

(iii) the amount being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance Agreement with respect to such assignment) shall in no event be less than the lesser of (x) \$5,000,000 and (y) all of the assigning Committed Purchaser's Commitment; and

(iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance Agreement.

Upon such execution, delivery, acceptance and recording from and after the effective date specified in such Assignment and Acceptance Agreement, (x) the assignee thereunder shall be a party to this Agreement, and to the extent that rights and obligations under this Agreement have been assigned to it pursuant to such Assignment and Acceptance Agreement, have the rights and obligations of a Committed Purchaser hereunder and (y) the assigning Committed Purchaser shall, to the extent that rights and obligations have been assigned by it pursuant to such Assignment and Acceptance Agreement, relinquish such rights and be released from such obligations under this Agreement (and, in the case of an Assignment and Acceptance Agreement covering all or the remaining portion of an assigning Committed Purchaser's rights and obligations under this Agreement, such Committed Purchaser shall cease to be a party hereto).

(c) Register. The Administrative Agent shall, acting solely for this purpose as an agent of the Seller, maintain at its address referred to on Schedule III of this Agreement (or such other address of the Administrative Agent notified by the Administrative Agent to the other parties hereto) a copy of each Assignment and Acceptance Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Committed Purchasers and the Conduit Purchasers, the Commitment of each Committed Purchaser and the aggregate outstanding Capital (and stated Yield) of each Conduit Purchaser and Committed Purchaser from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Seller, the Servicer, the Administrative Agent, the Group Agents, and the other Purchaser Parties may treat each Person whose name is recorded in the Register as a Committed Purchaser or Conduit Purchaser, as the case may be, under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Seller, the Servicer, any Group Agent, any Conduit Purchaser or any Committed Purchaser at any reasonable time and from time to time upon reasonable prior notice.

(d) Procedure. Upon its receipt of an Assignment and Acceptance Agreement executed and delivered by an assigning Committed Purchaser and an Eligible Assignee or assignee Committed Purchaser, the Administrative Agent shall, if such Assignment and Acceptance Agreement has been duly completed, (i) accept such Assignment and Acceptance Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Seller and the Servicer.

(e) Participations. Each Committed Purchaser may sell participations to one or more Eligible Assignees (each, a "Participant") in or to all or a portion of its rights and/or obligations under this Agreement (including, without limitation, all or a portion of its Commitment and its Capital and Yield thereon); provided, however, that

(i) such Committed Purchaser's obligations under this Agreement (including, without limitation, its Commitment to the Seller hereunder) shall remain unchanged;

(ii) such Committed Purchaser shall remain solely responsible to the other parties to this Agreement for the performance of such obligations; and

(iii) no Committed Purchaser shall agree with a Participant to restrict such Committed Purchaser's right to agree to any amendment hereto, except amendments that require the consent of all Committed Purchasers or all Group Agents.

The Administrative Agent, the Group Agents, the Conduit Purchasers, the other Committed Purchasers, the Seller and the Servicer shall have the right to continue to deal solely

and directly with such Committed Purchaser in connection with such Committed Purchaser's rights and obligations under this Agreement.

(f) Participant Register. Each Committed Purchaser that sells a participation shall, acting solely for this purpose as an agent of the Seller, maintain a register on which it enters the name and address of each Participant and the Capital (and stated Yield) participated to each Participant, together with each Participant's interest in the other obligations under this Agreement (the "Participant Register"); provided that no Committed Purchaser 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, Capital, Yield or its other obligations under any this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Capital, Yield or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Committed Purchaser shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(g) Assignments by Agents. This Agreement and the rights and obligations of the Administrative Agent and each Group Agent herein shall be assignable by the Administrative Agent or such Group Agent, as the case may be, and its successors and assigns; provided that in the case of an assignment to a Person that is not an Affiliate of the Administrative Agent or such Group Agent, so long as no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, such assignment shall require the Servicer's and the Seller's consent (not to be unreasonably withheld, conditioned or delayed).

(h) Assignments by the Seller or the Servicer. Neither the Seller nor, except as provided in Section 9.01, the Servicer may assign any of its respective rights or obligations hereunder or any interest herein without the prior written consent of the Administrative Agent and each Group Agent (such consent to be provided or withheld in the sole discretion of such Person).

(i) Addition of Purchasers or Groups. The Seller may, with written notice to the Administrative Agent and each Group Agent, add additional Persons as Purchasers (by creating a new Group) or cause an existing Purchaser to increase its Commitment; provided, however, that the Commitment of any existing Purchaser may only be increased with the prior written consent of such Purchaser. Each new Purchaser (or Group) shall become a party hereto, by executing and delivering to the Administrative Agent and the Seller, an assumption agreement (each, an "Assumption Agreement") in the form of Exhibit D hereto (which Assumption Agreement shall, in the case of any new Purchaser, be executed by each Person in such new Purchaser's Group).

(j) Pledge to a Federal Reserve Bank. Notwithstanding anything to the contrary set forth herein, (i) any Purchaser, Program Support Provider or any of their respective Affiliates may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to secure its obligations to a Federal Reserve Bank, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; provided, however, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(k) Pledge to a Security Trustee. Notwithstanding anything to the contrary set forth herein, any Conduit Purchaser may at any time pledge or grant a security interest in all or

any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to a collateral trustee (or Person acting in a similar capacity) as collateral security in connection with such Conduit Purchaser's asset-backed commercial paper note program, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; provided, however, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

Section 1.15 Costs and Expenses. In addition to the rights of indemnification granted under Section 13.01 hereof, the Seller agrees to pay on written demand all reasonable, documented out-of-pocket costs and expenses in connection with the preparation, negotiation, execution, delivery and administration of this Agreement, any Program Support Agreement (or any supplement or amendment thereof) related to this Agreement and the other Transaction Documents (together with all amendments, restatements, supplements, consents and waivers, if any, from time to time hereto and thereto), including, without limitation, (i) the reasonable Attorney Costs for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates with respect thereto and with respect to advising the Administrative Agent and the other Purchaser Parties and their respective Affiliates as to their rights and remedies under this Agreement and the other Transaction Documents and (ii) subject to Section 8.01(g) and Section 8.02(e), reasonable and documented accountants', auditors' and consultants' fees and expenses for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates and the fees and charges of any nationally recognized statistical rating agency incurred in connection with the administration and maintenance of this Agreement or advising the Administrative Agent or any other Purchaser Party as to their rights and remedies under this Agreement or as to any actual or reasonably claimed breach of this Agreement or any other Transaction Document. In addition, the Seller agrees to pay on demand all reasonable, documented out-of-pocket costs and expenses (including reasonable Attorney Costs), of the Administrative Agent and the other Purchaser Parties and their respective Affiliates, incurred in connection with the enforcement of any of their respective rights or remedies under the provisions of this Agreement and the other Transaction Documents.

Section 1.16 No Proceedings; Limitation on Payments.

(a) Each of the Seller, the Administrative Agent, the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser any Insolvency Proceeding so long as any Notes or other senior indebtedness issued by such Conduit Purchaser shall be outstanding or there shall not have elapsed one year plus one day since the last day on which any such Notes or other senior indebtedness shall have been outstanding.

(b) Each of the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations, hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, the Seller any Insolvency Proceeding until one year and one day after the Final Payout Date; provided, that the Administrative Agent may take any such action in its sole discretion following the occurrence of an Event of Termination or Non-Reinvestment Event.

(c) Notwithstanding any provisions contained in this Agreement to the contrary, a Conduit Purchaser shall not, and shall be under no obligation to, pay any amount, if any, payable by it pursuant to this Agreement or any other Transaction Document unless (i) such Conduit Purchaser has received funds which may be used to make such payment and which funds are not required to repay such Conduit Purchaser's Notes when due and (ii) after giving effect to such payment, either (x) such Conduit Purchaser could issue Notes to refinance all of its outstanding Notes (assuming such outstanding Notes matured at such time) in accordance with the program documents governing such Conduit Purchaser's securitization program or (y) all of

such Conduit Purchaser's Notes are paid in full. Any amount which any Conduit Purchaser 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 company obligation of such Conduit Purchaser for any such insufficiency unless and until such Conduit Purchaser satisfies the provisions of clauses (i) and (ii) above. The provisions of this Section 14.05 shall survive any termination of this Agreement.

Section 1.17 Confidentiality.

(a) Each of the Seller and the Servicer covenants and agrees to hold in confidence, and not disclose to any Person, the terms of this Agreement or the Fee Letter (including any fees payable in connection with this Agreement, the Fee Letter or any other Transaction Document or the identity of the Administrative Agent or any other Purchaser Party), except as the Administrative Agent and each Group Agent may have consented to in writing prior to any proposed disclosure; provided, however, that it may disclose such information (i) to its Advisors and Representatives, (ii) to the extent such information has become available to the public other than as a result of a disclosure by or through the Seller, the Servicer or their Advisors and Representatives or (iii) to the extent it is (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; provided, that, in the case of clause (iii) above, the Seller and the Servicer will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Administrative Agent and the affected Purchaser Party of its intention to make any such disclosure prior to making such disclosure. Each of the Seller and the Servicer agrees to be responsible for any breach of this Section by its Representatives and Advisors and agrees that its Representatives and Advisors will be advised by it of the confidential nature of such information and shall agree to comply with this Section. Notwithstanding the foregoing, it is expressly agreed that each of the Seller, the Servicer and their respective Affiliates may publish a press release or otherwise publicly announce the existence and principal amount of the Commitments under this Agreement and the transactions contemplated hereby; provided that the Administrative Agent shall be provided a reasonable opportunity to review such press release or other public announcement prior to its release and provide comment thereon; and provided, further, that no such press release shall name or otherwise identify the Administrative Agent, any other Purchaser Party or any of their respective Affiliates without such Person's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, the Seller consents to the publication by the Administrative Agent or any other Purchaser Party of a tombstone or similar advertising material relating to the financing transactions contemplated by this Agreement.

(b) Each of the Administrative Agent and each other Purchaser Party, severally and with respect to itself only, agrees to hold in confidence, and not disclose to any Person, any confidential and proprietary information concerning the Seller, the Servicer and their respective Affiliates and their businesses or the terms of this Agreement (including any fees payable in connection with this Agreement or the other Transaction Documents), except as the Seller or the Servicer may have consented to in writing prior to any proposed disclosure; provided, however, that it may disclose such information (i) to its Advisors and Representatives and to any related Program Support Provider, (ii) to its assignees and Participants and potential assignees and Participants and their respective counsel if they agree in writing to hold it confidential, (iii) to the extent such information has become available to the public other than as a result of a disclosure by or through it or its Representatives or Advisors or any related Program Support Provider, (iv) to any nationally recognized statistical rating organization in connection with obtaining or maintaining the rating of any Conduit Purchaser's Notes or as contemplated by 17 CFR 240.17g-5(a)(3), (v) at the request of a bank examiner or other regulatory authority or in connection with an examination of any of the Administrative Agent, any Group Agent or any Purchaser or their respective Affiliates or Program Support Providers or (vi) to the extent it is (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B)

requested by any Governmental Authority to disclose such information; provided, that, in the case of clause (vi) above, the Administrative Agent, each Group Agent and each Purchaser will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Seller and the Servicer of its making any such disclosure as promptly as reasonably practicable thereafter. Each of the Administrative Agent, each Group Agent and each Purchaser, severally and with respect to itself only, agrees to be responsible for any breach of this Section by its Representatives, Advisors and Program Support Providers and agrees that its Representatives, Advisors and Program Support Providers will be advised by it of the confidential nature of such information and shall agree to comply with this Section.

(c) As used in this Section, (i) “Advisors” means, with respect to any Person, such Person’s accountants, attorneys and other confidential advisors and (ii) “Representatives” means, with respect to any Person, such Person’s Affiliates, Subsidiaries, directors, managers, officers, employees, members, investors, financing sources, insurers, professional advisors, representatives and agents; *provided* that such Persons shall not be deemed to Representatives of a Person unless (and solely to the extent that) confidential information is furnished to such Person.

(d) Notwithstanding the foregoing, to the extent not inconsistent with applicable securities laws, each party hereto (and each of its employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as defined in Section 1.6011-4 of the Treasury Regulations) of the transactions contemplated by the Transaction Documents and all materials of any kind (including opinions or other tax analyses) that are provided to such Person relating to such tax treatment and tax structure.

Section 1.18 GOVERNING LAW. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF ADMINISTRATIVE AGENT OR ANY PURCHASER IN THE SOLD ASSETS OR SELLER COLLATERAL IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).

Section 1.19 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

Section 1.20 Integration; Binding Effect; Survival of Termination. This Agreement and the other Transaction Documents contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. 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 Final Payout Date; provided, however, that the provisions of Sections 5.01, 5.02, 5.03, 11.04, 11.06, 12.04, 13.01, 13.02, 14.04, 14.05, 14.06, 14.09, 14.11 and 14.13 shall survive any termination of this Agreement.

Section 1.21 CONSENT TO JURISDICTION

(a) . (a) EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO (I) WITH RESPECT TO THE SELLER AND THE SERVICER, THE EXCLUSIVE JURISDICTION, AND (II) WITH RESPECT TO EACH OF THE OTHER PARTIES HERETO, THE NON-EXCLUSIVE JURISDICTION, IN EACH CASE, OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, AND EACH PARTY HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING (I) IF BROUGHT BY THE SELLER, THE SERVICER OR ANY AFFILIATE THEREOF, SHALL BE HEARD AND DETERMINED, AND (II) IF BROUGHT BY ANY OTHER PARTY TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, MAY BE HEARD AND DETERMINED, IN EACH CASE, IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER CREDIT PARTY TO BRING ANY ACTION OR PROCEEDING AGAINST THE SELLER OR THE SERVICER OR ANY OF THEIR RESPECTIVE PROPERTY IN THE COURTS OF OTHER JURISDICTIONS. EACH OF THE SELLER AND THE SERVICER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(b) EACH OF THE SELLER AND THE SERVICER CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO IT AT ITS ADDRESS SPECIFIED IN SECTION 14.02. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER CREDIT PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 1.22 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT.

Section 1.23 Ratable Payments. If any Purchaser Party, whether by setoff or otherwise, has payment made to it with respect to any Seller Obligations in a greater proportion than that received by any other Purchaser Party entitled to receive a ratable share of such Seller Obligations, such Purchaser Party agrees, promptly upon demand, to purchase for cash without recourse or warranty a portion of such Seller Obligations held by the other Purchaser Parties so that after such purchase each Purchaser Party will hold its ratable proportion of such Seller Obligations; provided that if all or any portion of such excess amount is thereafter recovered from such Purchaser Party, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 1.24 Limitation of Liability.

(a) No claim may be made by the Seller or any Affiliate thereof or any other Person against any Purchaser Party or their respective Affiliates, members, directors, officers,

employees, incorporators, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Transaction Document, or any act, omission or event occurring in connection herewith or therewith; and each of the Seller and the Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. None of the Purchaser Parties and their respective Affiliates shall have any liability to the Seller or any Affiliate thereof or any other Person asserting claims on behalf of or in right of the Seller or any Affiliate thereof in connection with or as a result of this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, except to the extent that any losses, claims, damages, liabilities or expenses incurred by the Seller or any Affiliate thereof result from the breach of contract, gross negligence or willful misconduct of such Purchaser Party in performing its duties and obligations hereunder and under the other Transaction Documents to which it is a party.

(b) The obligations of the Administrative Agent and each of the other Purchaser Parties under this Agreement and each of the Transaction Documents are solely the corporate obligations of such Person. No recourse shall be had for any obligation or claim arising out of or based upon this Agreement or any other Transaction Document against any member, director, officer, employee or incorporator of any such Person.

Section 1.25 Intent of the Parties. The Seller has structured this Agreement with the intention that the obligations of the Seller hereunder (including the obligation to return Capital to the Purchasers and make payments of Yield thereon) will be treated under United States federal, and applicable state, local and foreign tax law as debt (the "Intended Tax Treatment"). The Seller, the Servicer, the Administrative Agent and the other Purchaser Parties agree to file no tax return, or take any action, inconsistent with the Intended Tax Treatment unless required by law. Each assignee and each Participant acquiring an interest in an Investment, by its acceptance of such assignment or participation, agrees to comply with the immediately preceding sentence.

Section 1.26 USA Patriot Act. Each of the Administrative Agent and each of the other Purchaser Parties hereby notifies the Seller and the Servicer that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), the Administrative Agent and the other Purchaser Parties may be required to obtain, verify and record information that identifies the Seller, the Originators, the Servicer and the Performance Guarantor, which information includes the name, address, tax identification number and other information regarding the Seller, the Originators, the Servicer and the Performance Guarantor that will allow the Administrative Agent and the other Purchaser Parties to identify the Seller, the Originators, the Servicer and the Performance Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. Each of the Seller and the Servicer agrees to provide the Administrative Agent and each other Purchaser Parties, 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 PATRIOT Act.

Section 1.27 Right of Setoff. Each Purchaser Party is hereby authorized (in addition to any other rights it may have), at any time during the continuance of an Event of Termination, to setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by such Purchaser Party (including by any branches or agencies of such Purchaser Party) to, or for the account of, the Seller or the Servicer against amounts owing by the Seller or the Servicer hereunder (even if contingent or unmatured); provided that such Purchaser Party shall notify the Seller or the Servicer, as applicable, promptly following such setoff.

Section 1.28 Severability. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 1.29 Mutual Negotiations. This Agreement and the other Transaction Documents are the product of mutual negotiations by the parties thereto and their counsel, and no party shall be deemed the draftsman of this Agreement or any other Transaction Document or any provision hereof or thereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Agreement or any other Transaction Document, such inconsistency or ambiguity shall not be interpreted against any party because of such party's involvement in the drafting thereof.

Section 1.30 Captions and Cross References. The various captions (including the table of contents) in this Agreement are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Agreement. Unless otherwise indicated, references in this Agreement to any Section, Schedule or Exhibit are to such Section Schedule or Exhibit to this Agreement, as the case may be, and references in any Section, subsection, or clause to any subsection, clause or subclause are to such subsection, clause or subclause of such Section, subsection or clause.

SELLER GUARANTY

Section 1.31 Guaranty of Payment. The Seller hereby absolutely, irrevocably and unconditionally guarantees to each Purchaser, the Administrative Agent and the other Secured Parties the prompt payment of the Sold Receivables by the related Obligor and all other payment obligations included in the Sold Assets (collectively, the "Guaranteed Obligations"), in each case, in full when due, whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise (such guaranty, the "Seller Guaranty"). The Seller Guaranty is a guaranty of payment and not of collection and is a continuing irrevocable guaranty and shall apply to all Guaranteed Obligations whenever arising. To the extent the obligations of the Seller hereunder in respect to the Seller Guaranty shall be adjudicated to be invalid or unenforceable for any reason (including because of any applicable state or federal Law relating to fraudulent conveyances or transfers), then such obligations of the Seller shall be limited to the maximum amount that is permissible under Applicable Law (whether federal or state or otherwise and including the Bankruptcy Code and any other applicable bankruptcy, insolvency, reorganization or other similar laws).

Section 1.32 Unconditional Guaranty. The obligations of the Seller under the Seller Guaranty are absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any Guaranteed Obligations, any Contract, any Transaction Document or any other agreement or instrument referred to therein, to the fullest extent permitted by Applicable Law, irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor. The Seller agrees that the Seller Guaranty may be enforced by the Administrative Agent or the Purchasers without the necessity at any time of resorting to or exhausting any other security or collateral and without the necessity at any time of having recourse to any of the other Transaction Documents or any collateral, including the Sold Assets, hereafter securing the Guaranteed Obligations, the Seller Obligations or otherwise, and the Seller hereby waives the right to require the Administrative Agent or the Purchasers to make demand on or proceed against any Obligor, any Originator, the Servicer or the Performance Guarantor or any other Person or to require the Administrative Agent or the Purchasers to pursue any other remedy or enforce any other right. The Seller

further agrees that no Person or Governmental Authority shall have any right to request any return or reimbursement of funds from the Administrative Agent or the Purchasers in connection with monies received under or in respect of the Seller Guaranty. The Seller further agrees that nothing contained herein shall prevent the Administrative Agent or the Purchasers from suing on any of the other Transaction Documents or foreclosing its or their, as applicable, security interest in or lien on the Sold Assets or any other collateral securing the Guaranteed Obligations or the Seller Obligations or from exercising any other rights available to it or them, as applicable, under any Transaction Document, or any other instrument of security and the exercise of any of the aforesaid rights and the completion of any foreclosure proceedings shall not constitute a discharge of the Seller's obligations under the Seller Guaranty; it being the purpose and intent of the Seller that its obligations under the Seller Guaranty shall be absolute, independent and unconditional under any and all circumstances. Neither the Seller Guaranty nor any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by an impairment, modification, change, release, increase or limitation of the liability of any Obligor, any Originator, the Servicer or the Performance Guarantor or by reason of the bankruptcy or insolvency of any Obligor, any Originator, the Servicer or the Performance Guarantor. The Seller hereby waives any and all notice of the creation, renewal, extension, accrual, or increase of any of the Guaranteed Obligations and notice of or proof of reliance by the Administrative Agent or any Purchaser on the Seller Guaranty or acceptance of the Seller Guaranty. All dealings between any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller, on the one hand, and the Administrative Agent and the Purchasers, on the other hand, shall be conclusively presumed to have been had or consummated in reliance upon the Seller Guaranty. The Seller hereby represents and warrants that it is, and immediately after giving effect to the Seller Guaranty and the obligation evidenced hereby, will be, solvent. The Seller Guaranty and the obligations of the Seller under the Seller Guaranty shall be valid and enforceable and shall not be subject to any limitation, impairment or discharge for any reason (other than payment in full of all Guaranteed Obligations), including the occurrence of any of the following, whether or not the Administrative Agent or any Purchaser shall have had notice or knowledge of any of them: (a) any failure to assert or enforce or agreement not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the Sold Assets or the Guaranteed Obligations or any agreement relating thereto, or with respect to any guaranty of or other security for the payment of the Sold Assets or the Guaranteed Obligations, (b) any waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Termination Events) of any Transaction Document or any agreement or instrument executed pursuant thereto, or of any guaranty or other security for the Sold Assets or the Guaranteed Obligations, (c) to the fullest extent permitted by Applicable Law, any of the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect, (d) the application of payments received from any source to the payment of Indebtedness other than the Guaranteed Obligations, even though the Administrative Agent might have elected to apply such payment to any part or all of the Guaranteed Obligations, (e) any failure to perfect or continue perfection of a security interest in any of the Sold Assets or other Seller Collateral, (f) any defenses, set-offs or counterclaims which the Seller, any Originator, the Servicer, the Performance Guarantor or any Obligor may allege or assert against the Administrative Agent or any Purchaser in respect of the Sold Assets or the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury, and (g) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of the Seller as an obligor in respect of the Sold Assets or the Guaranteed Obligations.

Section 1.33 Modifications. The Seller agrees that: (a) all or any part of any security interest, lien, collateral security or supporting obligation now or hereafter held for any Guaranteed Obligation may be exchanged, compromised or surrendered from time to time; (b) none of the Purchasers or the Administrative Agent shall have any obligation to protect,

perfect, secure or insure any security interest or lien now or hereafter held, if any, for the Guaranteed Obligations; (c) the time or place of payment of any Guaranteed Obligation may be changed or extended, in whole or in part, to a time certain or otherwise, and may be renewed or accelerated, in whole or in part; (d) any Obligor, any Originator, the Seller, the Servicer or the Performance Guarantor and any other party (including any co-guarantor) liable for payment of any Guaranteed Obligation may be granted indulgences generally; (e) any of the provisions of Contracts or any other agreements or documents governing or giving rise to any Guaranteed Obligation may be modified, amended or waived; and (f) any deposit balance for the credit of any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller or any other party (including any co-guarantor) liable for the payment of any Guaranteed Obligation or liable upon any security therefor may be released, in whole or in part, at, before or after the stated, extended or accelerated maturity of the Guaranteed Obligations, all without notice to or further assent by the Seller, which shall remain bound thereon, notwithstanding any such exchange, compromise, surrender, extension, renewal, acceleration, modification, indulgence or release.

Section 1.34 Waiver of Rights. The Seller expressly waives to the fullest extent permitted by Applicable Law: (a) notice of acceptance of the Seller Guaranty by the Purchasers and the Administrative Agent; (b) presentment and demand for payment or performance of any of the Guaranteed Obligations; (c) protest and notice of dishonor or of default (except as specifically required in this Agreement) with respect to the Guaranteed Obligations or with respect to any security therefor; (d) notice of the Purchasers or the Administrative Agent obtaining, amending, substituting for, releasing, waiving or modifying any security interest or lien, if any, hereafter securing the Guaranteed Obligations, or the Purchasers or the Administrative Agent subordinating, compromising, discharging or releasing such security interests or liens, if any; (e) all other notices, demands, presentments, protests or any agreement or instrument related to the Sold Assets or the Guaranteed Obligations to which the Seller might otherwise be entitled; (f) any right to require the Administrative Agent or any Purchaser as a condition of payment or performance by the Seller, to (i) proceed against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (ii) proceed against or exhaust any other security held from any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account, securities account or credit on the books of the Administrative Agent, the Purchasers or any other Person, or (iv) pursue any other remedy in the power of the Administrative Agent or the Purchasers whatsoever; (g) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person including any defense based on or arising out of the lack of validity or the unenforceability of the Sold Assets or the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person from any cause other than payment in full of the Sold Assets and the Guaranteed Obligations; (h) any defense based upon any Applicable Law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (i) any defense based upon the Administrative Agent's or any Purchaser's errors or omissions in the administration of the Sold Assets or the Guaranteed Obligations; (j) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Agreement and any legal or equitable discharge of the Sold Assets or the Guaranteed Obligations, (ii) the benefit of any statute of limitations affecting the Seller's liability under the Seller Guaranty or the enforcement of the Seller Guaranty, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that the Administrative Agent and the Purchasers protect, secure, perfect or insure any other security interest or lien or any property subject thereto; and (k) to the fullest extent permitted by Applicable Law, any defenses or benefits that may be derived from or afforded by Applicable Law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of this Agreement and the Seller Guaranty.

Section 1.35 Reinstatement. Notwithstanding anything contained in this Agreement or the other Transaction Documents, the obligations of the Seller under this Article XV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Seller agrees that it will indemnify Administrative Agent and each Purchaser on demand for all reasonable and documented costs and expenses (including reasonable fees of counsel) incurred by such Person in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

Section 1.36 Remedies. The Seller agrees that, as between the Seller, on the one hand, and Administrative Agent and the Purchasers, on the other hand, the Guaranteed Obligations may be declared to be forthwith due and payable as provided in Article IX (and shall be deemed to have become automatically due and payable in the circumstances provided in Article IX) notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing such Guaranteed Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or such Guaranteed Obligations being deemed to have become automatically due and payable), such Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Seller.

Section 1.37 Subrogation. The Seller hereby waives all rights of subrogation (whether contractual or otherwise) to the claims of the Administrative Agent, the Purchasers and the other Secured Parties against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations until such time as all Guaranteed Obligations have been indefeasibly paid in full in cash and the Final Payout Date has occurred. The Seller further agrees that, to the extent such waiver of its rights of subrogation is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation shall be junior and subordinate to any rights the Administrative Agent or any Purchaser may have against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations.

Section 1.38 Inducement. The Purchasers have been induced to make the Investments under this Agreement in part based upon the Seller Guaranty that the Seller desires that the Seller Guaranty be honored and enforced as separate obligations of the Seller, should Administrative Agent and the Purchasers desire to do so.

Section 1.39 Security Interest.

(a) To secure the prompt payment and performance of the Guaranteed Obligations, the Seller Guaranty and all other Seller Obligations, the Seller hereby grants to the Administrative Agent, for the benefit of the Purchasers and the other Secured Parties, a continuing security interest in and lien upon all property and assets of the Seller, whether now or hereafter owned, existing or arising and wherever located, including the following (collectively, the "Seller Collateral"): (i) all Unsold Receivables, (ii) all Related Security with respect to such Unsold Receivables, (iii) all Collections with respect to such Unsold Receivables, (iv) the Lock-Boxes, the Blocked Accounts and Collection Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Boxes, Blocked Accounts and Collection Accounts and amounts on deposit therein, (v) all rights (but none of the obligations) of the Seller under the Purchase and Sale Agreement, (vi) all other personal and fixture property or assets of the Seller of every kind and nature including, without limitation, all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit

accounts, securities accounts, securities entitlements, letter-of-credit rights, commercial tort claims, securities and all other investment property, supporting obligations, money, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles) (each as defined in the UCC) and (vii) all proceeds of, and all amounts received or receivable under any or all of, the foregoing.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Seller Collateral, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) Immediately upon the occurrence of the Final Payout Date, the Seller Collateral and the Sold Assets shall be automatically released from the liens created by this Section 15.09 and Section 5.05, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent, the Purchasers and the other Purchaser Parties hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Seller Collateral shall revert to the Seller; provided, however, that promptly following written request therefor by the Seller delivered to the Administrative Agent following any such termination, and at the expense of the Seller, the Administrative Agent shall file, execute and deliver, as applicable, to the Seller UCC-3 termination statements and such other documents as the Seller shall reasonably request to evidence such termination and release.

(d) For the avoidance of doubt, the grant of security interest pursuant to this Section 15.09 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 5.05.

Section 1.40 Further Assurances. Promptly upon request, the Seller shall deliver such instruments, assignments or other documents or agreements, and shall take such actions, as the Administrative Agent or any Purchaser deems appropriate to evidence or perfect its security interest and lien on any of the Seller Collateral, or otherwise to give effect to the intent of this Article XV.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

DXC RECEIVABLES LLC

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: President, Secretary & Treasurer

DXC TECHNOLOGY COMPANY,
as the Servicer

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President & Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

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

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

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

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

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

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Ryan Tozier
Name: Ryan Tozier
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

By: /s/ Ryan Tozier
Name: Ryan Tozier
Title: Managing Director

EXHIBIT A
Form of Investment Request

[Letterhead of Seller]

[Date]

[Administrative Agent]

[Group Agents]

Re: Investment Request

Ladies and Gentlemen:

Reference is hereby made to that certain Receivables Purchase Agreement, dated as of December 21, 2016 among DXC Receivables LLC (the “Seller”), DXC Technology Company, as Servicer (the “Servicer”), the Purchasers party thereto, the Group Agents party thereto and PNC Bank, National Association, as Administrative Agent (in such capacity, the “Administrative Agent”) (as amended, supplemented or otherwise modified from time to time, the “Agreement”). Capitalized terms used in this Investment Request and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes an Investment Request pursuant to Section 2.02(a) of the Agreement. The Seller hereby requests an Investment of Capital in the aggregate amount of [\$_____] to be made on [____, 20__] (of which \$[____] of Capital will be funded by the PNC Group and \$[____] of Capital will be funded by the [____] Group. Such Capital should be deposited to [Account number], at [Name, Address and ABA Number of Bank]. After giving effect to such Investment, the Aggregate Capital will be [\$_____].

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such Investment, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, and no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event would result from such Investment;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment;

(iv) the Aggregate Capital will not exceed the Facility Limit;

(v) the Termination Date has not occurred;

(vi) the Aggregate Capital exceeds the Minimum Funding Threshold; and

Exhibit A-1

(vii) the Sold Receivables are identified on the Schedule of Sold Assets attached hereto.

751200428 16518096

Exhibit A-2

IN WITNESS WHEREOF, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

DXC Receivables LLC

By:
Name:
Title:

751200428 16518096

Exhibit A-3

Schedule of Sold Assets

See attached.

Exhibit A-4

751200428 16518096

EXHIBIT B
Form of Reduction Notice

[Letterhead of Seller]

[Date]

[Administrative Agent]

[Group Agents]

Re: Reduction Notice

Ladies and Gentlemen:

Reference is hereby made to that certain Receivables Purchase Agreement, dated as of December 21, 2016 among DXC Receivables LLC, as seller (the "Seller"), DXC Technology Company, as Servicer (the "Servicer"), the Purchasers party thereto, and PNC Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent") (as amended, supplemented or otherwise modified from time to time, the "Agreement"). Capitalized terms used in this Reduction Notice and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes a Reduction Notice pursuant to Section 2.02(d) of the Agreement. The Seller hereby notifies the Administrative Agent and the Purchasers that it shall reduce the outstanding Capital of the Purchasers in the amount of **[\$_____]** to be made on **[____, 201_]**. After giving effect to such reduction, the Aggregate Capital will be **[\$_____]**.

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such reduction, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such reduction as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, and no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event would result from such reduction;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such reduction;

(iv) the Termination Date has not occurred; and

(v) the Aggregate Capital exceeds the Minimum Funding Threshold.

Exhibit B-1

In Witness Whereof, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

DXC RECEIVABLES LLC

By:

Name:

Title:

751200428 16518096

Exhibit B-2

EXHIBIT C
[Form of Assignment and Acceptance Agreement]

Dated as of _____, 20__

Section 1.

Commitment assigned:	\$[_____]
Assignor's remaining Commitment:	\$[_____]
Capital allocable to Commitment assigned:	\$[_____]
Assignor's remaining Capital:	\$[_____]
Yield (if any) allocable to Capital assigned:	\$[_____]
Yield (if any) allocable to Assignor's remaining Capital:	\$[_____]

Section 2.

Effective Date of this Assignment and Acceptance Agreement: [_____]

Upon execution and delivery of this Assignment and Acceptance Agreement by the assignee and the assignor and the satisfaction of the other conditions to assignment specified in Section 14.03(b) of the Agreement (as defined below), from and after the effective date specified above, the assignee shall become a party to, and, to the extent of the rights and obligations thereunder being assigned to it pursuant to this Assignment and Acceptance Agreement, shall have the rights and obligations of a Committed Purchaser under that certain Receivables Purchase Agreement, dated as of December 21, 2016 among DXC Receivables LLC, DXC Technology Company, as Servicer, the Purchasers party thereto, the Group Agents party thereto and PNC Bank, National Association, as Administrative Agent (as amended, supplemented or otherwise modified from time to time, the "Agreement").

(Signature Pages Follow)

ASSIGNOR: [_____]

By:
Name:
Title:

ASSIGNEE: [_____]

By:
Name:
Title:

[Address]

Accepted as of date first above
written:

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: __
Name:
Title:

DXC RECEIVABLES LLC,
as Seller

By: __
Name:
Title:

DXC TECHNOLOGY COMPANY,
as Servicer

By: __
Name:
Title:

EXHIBIT D
[Form of Assumption Agreement]

THIS ASSUMPTION AGREEMENT (this "Agreement"), dated as of [_____, ____], is among DXC Receivables LLC (the "Seller"), [_____] as conduit purchaser (the "[_____] Conduit Purchaser"), [_____] as the Related Committed Purchaser (the "[_____] Committed Purchaser" and together with the Conduit Purchaser, the "[_____] Purchasers"), and [_____] as group agent for the [_____] Purchasers (the "[_____] Group Agent" and together with the [_____] Purchasers, the "[_____] Group").

BACKGROUND

The Seller and various others are parties to a certain Receivables Purchase Agreement, dated as of December 21, 2016 (as amended through the date hereof and as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"). Capitalized terms used and not otherwise defined herein have the respective meaning assigned to such terms in the Receivables Purchase Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1. This letter constitutes an Assumption Agreement pursuant to Section 14.03(i) of the Receivables Purchase Agreement. The Seller desires [the [_____] Purchasers] [the [_____] Committed Purchaser] to [become a Group] [increase its existing Commitment] under the Receivables Purchase Agreement, and upon the terms and subject to the conditions set forth in the Receivables Purchase Agreement, the [[_____] Purchasers] [[_____] Committed Purchaser] agree[s] to [become Purchasers within a Group thereunder] [increase its Commitment to the amount set forth as its "Commitment" under the signature of such [_____] Committed Purchaser hereto].

The Seller hereby represents and warrants to the [_____] Purchasers and the [_____] Group Agent as of the date hereof, as follows:

- (i) the representations and warranties of the Seller contained in Section 7.01 of the Receivables Purchase Agreement are true and correct in all material respects on and as of such date as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;
- (ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, or would result from the assumption contemplated hereby; and
- (iii) the Termination Date shall not have occurred.

SECTION 2. Upon execution and delivery of this Agreement by the Seller and each member of the [_____] Group, satisfaction of the other conditions with respect to the addition of a Group specified in Section 14.03(i) of the Receivables Purchase Agreement (including the written consent of the Administrative Agent and the Majority Group Agents) and receipt by the Administrative Agent of counterparts of this Agreement (whether by facsimile or otherwise) executed by each of the parties hereto, [the [_____] Purchasers shall become a party to, and have the rights and obligations of Purchasers under, the Receivables Purchase Agreement and the "Commitment" with respect to the Committed Purchasers in such Group as shall be as set forth under the signature of each such Committed Purchaser hereto] [the [_____] Committed

Purchaser shall increase its Commitment to the amount set forth as the “Commitment” under the signature of the [_____] Committed Purchaser hereto].

SECTION 3. Each party hereto hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing commercial paper notes or other senior indebtedness issued by such Conduit Purchaser is paid in full. The covenant contained in this paragraph shall survive any termination of the Receivables Purchase Agreement.

SECTION 4. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF). This Agreement may not be amended or supplemented except pursuant to a writing signed by each of the parties hereto and may not be waived except pursuant to a writing signed by the party to be charged. This Agreement may be executed in counterparts, and by the different parties on different counterparts, each of which shall constitute an original, but all together shall constitute one and the same agreement.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the date first above written.

[_____], as a Conduit Purchaser

By:
Name Printed:
Title:
[Address]

[_____], as a Committed Purchaser

By:
Name Printed:
Title:
[Address]
[Commitment]

[_____], as Group Agent for [_____]

By:
Name Printed:
Title:
[Address]

DXC RECEIVABLES LLC
as Seller

By:
Name Printed:
Title:

DXC TECHNOLOGY COMPANY
as Servicer

By:
Name Printed:
Title:

751200428 16518096

Exhibit D-4

EXHIBIT E
Credit and Collection Policy

(Attached)

Exhibit E-1

751200428 16518096

EXHIBIT F
Form of Information Package

(Attached)

Exhibit F-1

751200428 16518096

EXHIBIT G
Form of Compliance Certificate

To: PNC Bank, National Association, as Administrative Agent

This Compliance Certificate is furnished pursuant to that certain Receivables Purchase Agreement, dated as of December 21, 2016 among DXC Receivables LLC (the “Seller”), DXC Technology Company, as Servicer (the “Servicer”), the Purchasers party thereto, the Group Agents party thereto and PNC Bank, National Association, as Administrative Agent (in such capacity, the “Administrative Agent”) (as amended, supplemented or otherwise modified from time to time, the “Agreement”). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of the Servicer and am delivering this certificate in such capacity as _____ of the Servicer and not in my individual capacity.
2. I have reviewed the terms of the Agreement and each of the other Transaction Documents and I have made, or have caused to be made under my supervision, a detailed review of the transactions and condition of the Seller during the accounting period covered by the attached financial statements.
3. The examinations described in paragraph 2 above did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event, as each such term is defined under the Agreement, during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate[, except as set forth in paragraph 5 below].
4. Schedule I attached hereto sets forth financial statements of the Parent and its Subsidiaries for the period referenced on such Schedule I.
- [5. Described below are the exceptions, if any, to paragraph 3 above by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which Seller has taken, is taking, or proposes to take with respect to each such condition or event:]

The foregoing certifications are made and delivered this _____ day of _____, 20__.

[_____]

By: __
Name: __
Title: __

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Exhibit G-2

SCHEDULE I TO COMPLIANCE CERTIFICATE

A. Schedule of Compliance as of _____, 20__ with Section 8.02(a)(i) of the Agreement. Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

This schedule relates to the month ended: _____.

B. The following financial statements of the Parent and its Subsidiaries for the period ending on _____, 20__, are attached hereto:

Exhibit G-3

EXHIBIT H
Closing Memorandum

(Attached)

Exhibit H-1

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EXHIBIT I
Form of Excluded Obligor Request

_____, 20____

PNC Bank, National Association
Three PNC Plaza
225 Fifth Avenue
Pittsburgh, PA 15222-2707
[Each other Group Agent]

Ladies and Gentlemen:

Reference is hereby made to the Receivables Purchase Agreement, dated as of December 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"), among DXC Receivables LLC (the "Seller"), DXC Technology Company, as Servicer, the Persons from time to time party thereto as Purchasers and as Group Agents, PNC Bank, National Association, as administrative agent (the "Administrative Agent"), and PNC Capital Markets LLC, as Structuring Agent. Capitalized terms used in this Excluded Obligor Request (this "Request") and not otherwise defined herein shall have the meanings assigned thereto in the Receivables Purchase Agreement.

This Request constitutes an Excluded Obligor Request pursuant to Section 9.07 of the Receivables Purchase Agreement. The Servicer, on behalf of the Seller, desires to designate the Obligor _____ as an Excluded Obligor effective as of _____, 20__ (the "Excluded Obligor Date").

Attached hereto as Exhibit A is a copy of the UCC-3 financing statement amendment that the Servicer proposes to be filed by [the Administrative Agent][the Servicer] on or promptly following the Excluded Obligor Date in connection with this Request.

Each of Seller and the Servicer hereby represents and warrants, as to itself, to the Administrative Agent, each Purchaser and each Group Agent, as of the date hereof, and as of the Excluded Obligor Date, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Receivables Purchase Agreement are true and correct in all material respects on and as of the date of such Request as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing, or would result from the proposed designation of such Obligor as Excluded Obligor;

(iii) after giving effect to such proposed designation of such Obligor as Excluded Obligor, no Capital Coverage Deficit exists or would exist, and the Aggregate Capital does not exceed the Facility Limit;

(iv) the sum of (x) the related Excluded Receivables of such proposed Excluded Obligor, plus (y) the related aggregated Excluded Receivables of each Excluded Obligor designated as such pursuant to Section 9.07 of the Receivables Purchase Agreement during the then-current fiscal year shall not exceed 5.00% of the average aggregate Outstanding Balance of all Pool Receivables for each fiscal year; and

Exhibit I-1

(v) the Termination Date has not occurred.

[Signature Pages Follow]

751200428 16518096

Exhibit I-2

IN WITNESS WHEREOF, the undersigned has caused this Request to be executed by its duly authorized officer as of the date first above written.

DXC TECHNOLOGY COMPANY

By:
Name:
Title:

DXC RECEIVABLES LLC

By:
Name:
Title:

ACKNOWLEDGED AND AGREED

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name:
Title:

751200428 16518096

Exhibit I-4

**EXHIBIT A
to Request**

Exhibit I-5

751200428 16518096

**SCHEDULE I
Groups And Commitments**

Group of PNC Bank, National Association		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
PNC Bank, National Association	Committed Purchaser	\$100,000,000.00
PNC Bank, National Association	Group Agent	N/A

Group of Wells Fargo Bank, National Association		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
Wells Fargo Bank, National Association	Committed Purchaser	\$50,000,000.00
Wells Fargo Bank, National Association	Group Agent	N/A

Group of MUFG Bank, Ltd.		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
MUFG Bank, Ltd.	Committed Purchaser	\$100,000,000.00
MUFG Bank, Ltd.	Group Agent	N/A

Group of The Bank of Nova Scotia		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
The Bank of Nova Scotia	Committed Purchaser	\$50,000,000.00
The Bank of Nova Scotia	Group Agent	N/A

Group of Mizuho Bank, Ltd.		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
Mizuho Bank, Ltd.	Committed Purchaser	\$50,000,000.00
Mizuho Bank, Ltd.	Group Agent	N/A

Group of The Toronto Dominion Bank		
<u>Party</u>	<u>Capacity</u>	<u>Commitment</u>
The Toronto Dominion Bank	Committed Purchaser	\$50,000,000.00
The Toronto Dominion Bank	Group Agent	N/A

[Certain identified information has been excluded from the exhibit because it is both not material and is the type that the registrant treats as private or confidential]

SCHEDULE II-A
Lock-Boxes, Collection Accounts and Collection Account Banks

Bank	Bank account #
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
Wells Fargo Bank, National Association	[x]
JPMorgan Chase Bank, N.A.	[x]
JPMorgan Chase Bank, N.A.	[x]
Bank of America, N.A.	[x]
PNC Bank, National Association	[x]
Bank of America, N.A.	[x]
PNC Bank, National Association	[x]
PNC Bank, National Association	[x]
JPMorgan Chase Bank, N.A.	[x]
PNC Bank, National Association	[x]
Silicon Valley Bank	[x]

[Certain identified information has been excluded from the exhibit because it is both not material and is the type that the registrant treats as private or confidential]

**SCHEDULE II-B
Blocked Account and Blocked Account Bank**

Bank: **Account #**

PNC Bank, National Association [x]

[Certain identified information has been excluded from the exhibit because it is both not material and is the type that the registrant treats as private or confidential]

**SCHEDULE III
Notice Addresses**

(A) in the case of the Seller, at the following address:

DXC Receivables LLC
c/o DXC Technology Company
20408 Bashan Drive, Suite 231
Ashburn, Virginia 20147
Attn:
Telephone:
Email:

With a copy to:

Attn: Corporate Treasury
Email:

(B) in the case of the Servicer, at the following address:

DXC Technology Company
20408 Bashan Drive, Suite 231
Ashburn, Virginia 20147
Attn:
Telephone:
Email:

With a copy to:

Attn: Corporate Treasury
Email:

(C) in the case of the Administrative Agent, at the following address:

PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue, 11th Floor
Pittsburgh, PA 15222
Attention:
Telephone:
Facsimile:
Email:
with a copy to:

(D) in the case of Wells Fargo Bank, National Association, at the following address:

Wells Fargo Bank, National Association
1100 Abernathy Road
Suite 1500
Atlanta, GA 30328
Facsimile:
Attention:
Email:

(E) in the case of MUFG Bank, Ltd., at the following address:

MUFG Bank, Ltd.
1221 Avenue of the Americas
New York, NY 10020
Attention: Securitization Group
Facsimile:
Email:

(F) in the case of the Bank of Nova Scotia, at the following address:

The Bank of Nova Scotia
250 Vesey Street, 23rd Floor
New York, NY 10281
Attn:
T:

(G) in the case of Mizuho Bank, Ltd., at the following address:

Mizuho Bank, Ltd.
1271 Avenue of the Americas
New York, NY 10020
Attention:
Tel:
Fax:

(H) in the case of The Toronto Dominion Bank, at the following address:

The Toronto-Dominion Bank
77 King Street West
TD North Tower, 25th Floor
Toronto, Canada M5K 1A2
Telephone:
Facsimile:
Attention:

(I) in the case of any other Person, at the address for such Person specified in the other Transaction Documents; in each case, or at such other address as shall be designated by such Person in a written notice to the other parties to this Agreement.

SCHEDULE IV

Initial Schedule of Sold Receivables

[On File with the Administrative Agent]

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Salvino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DXC Technology Company;

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(s) 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(s) 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: February 1, 2023

/s/ Michael J. Salvino

Michael J. Salvino
Chairman, President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kenneth P. Sharp, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DXC Technology Company;

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(s) 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(s) 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: February 1, 2023

/s/ Kenneth P. Sharp

Kenneth P. Sharp
Executive Vice President and Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael J. Salvino, Chairman, President and Chief Executive Officer of DXC Technology Company (the "Company"), hereby certify that, to my knowledge:

- (1) The Company's Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 1, 2023

/s/ Michael J. Salvino

Michael J. Salvino
Chairman, President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Kenneth P. Sharp, Executive Vice President and Chief Financial Officer of DXC Technology Company (the "Company"), hereby certify that, to my knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 1, 2023

/s/ Kenneth P. Sharp

Kenneth P. Sharp
Executive Vice President and Chief Financial Officer