

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

FORM 10-Q

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

For the quarterly period ended December 31, 2021

or

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

For the transition period from _____ to _____

Commission file number 000-08408

WOODWARD, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

36-1984010

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

1081 Woodward Way, Fort Collins, Colorado

(Address of principal executive offices)

80524

(Zip Code)

(970) 482-5811

(Registrant's telephone number, including area code)

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

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

Common Stock, par value \$0.001455 per share

WWD

NASDAQ Global Select Market

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

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

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

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-accelerated Filer ☐ Smaller Reporting Company ☐

Emerging Growth Company ☐

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

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

Yes ☐ No ☒

As of February 2, 2022, 63,104,719 shares of the registrant's common stock with a par value of \$0.001455 per share were outstanding.

TABLE OF CONTENTS

	Page
PART I – FINANCIAL INFORMATION	
Item 1. Financial Statements	1
Condensed Consolidated Statements of Earnings	1
Condensed Consolidated Statements of Comprehensive Earnings	2
Condensed Consolidated Balance Sheets	3
Condensed Consolidated Statements of Cash Flows	4
Condensed Consolidated Statements of Stockholders' Equity	5
Notes to Condensed Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	24
Forward Looking Statements	24
Overview	25
Results of Operations	26
Liquidity and Capital Resources	30
Item 3. Quantitative and Qualitative Disclosures About Market Risk	34
Item 4. Controls and Procedures	34
PART II – OTHER INFORMATION	
Item 1. Legal Proceedings	35
Item 1A. Risk Factors	35
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	35
Item 6. Exhibits	36
Signatures	36

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

WOODWARD, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share amounts)
(Unaudited)

	Three-Months Ended December 31,	
	2021	2020
Net sales	\$ 541,586	\$ 537,619
Costs and expenses:		
Cost of goods sold	419,151	401,640
Selling, general and administrative expenses	62,306	56,111
Research and development costs	25,392	31,996
Interest expense	8,306	8,906
Interest income	(641)	(495)
Other (income) expense, net	(10,674)	(8,123)
Total costs and expenses	503,840	490,035
Earnings before income taxes	37,746	47,584
Income tax expense	7,441	6,014
Net earnings	\$ 30,305	\$ 41,570
Earnings per share:		
Basic earnings per share	\$ 0.48	\$ 0.66
Diluted earnings per share	\$ 0.47	\$ 0.64
Weighted-Average Common Shares Outstanding:		
Basic	63,094	62,812
Diluted	65,099	64,892

See accompanying Notes to Condensed Consolidated Financial Statements

WOODWARD, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(In thousands)
(Unaudited)

	Three-Months Ended December 31,	
	2021	2020
Net earnings	\$ 30,305	\$ 41,570
Other comprehensive earnings:		
Foreign currency translation adjustments	(2,438)	21,782
Net gain/(loss) on foreign currency transactions designated as hedges of net investments in foreign subsidiaries	1,071	(2,227)
Taxes on changes in foreign currency translation adjustments	(986)	1,684
Foreign currency translation and transactions adjustments, net of tax	(2,353)	21,239
Unrealized gain/(loss) on fair value adjustment of derivative instruments	12,369	(30,658)
Reclassification of net realized (gain)/loss on derivatives to earnings	(10,075)	20,960
Taxes on changes in derivative transactions	(80)	(1,340)
Derivative adjustments, net of tax	2,214	(11,038)
Amortization of pension and other postretirement plan:		
Net prior service cost	251	248
Net loss	187	370
Foreign currency exchange rate changes on pension and other postretirement benefit plan liabilities	30	(1,697)
Taxes on changes in pension and other postretirement benefit plan liability adjustments, net of foreign currency exchange rate changes	(114)	356
Pension and other postretirement benefit plan adjustments, net of tax	354	(723)
Total comprehensive earnings	\$ 30,520	\$ 51,048

See accompanying Notes to Condensed Consolidated Financial Statements

WOODWARD, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)
(Unaudited)

	<u>December 31,</u> <u>2021</u>	<u>September 30,</u> <u>2021</u>
ASSETS		
Current assets:		
Cash and cash equivalents, including restricted cash of \$907 and \$1,907, respectively	\$ 426,982	\$ 448,462
Accounts receivable, less allowance for uncollectible amounts of \$3,309 and \$3,664, respectively	506,216	523,051
Inventories	451,834	419,971
Income taxes receivable	8,928	12,071
Other current assets	52,771	61,168
Total current assets	1,446,731	1,464,723
Property, plant and equipment, net	934,403	950,569
Goodwill	800,022	805,333
Intangible assets, net	538,782	559,289
Deferred income tax assets	13,970	14,066
Other assets	301,332	297,024
Total assets	\$ 4,035,240	\$ 4,091,004
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 424	\$ 728
Accounts payable	165,867	170,909
Income taxes payable	17,004	11,481
Accrued liabilities	146,213	183,139
Total current liabilities	329,508	366,257
Long-term debt, less current portion	729,826	734,122
Deferred income tax liabilities	156,169	157,936
Other liabilities	596,305	617,908
Total liabilities	1,811,808	1,876,223
Commitments and contingencies (Note 21)		
Stockholders' equity:		
Preferred stock, par value \$0.003 per share, 10,000 shares authorized, no shares issued	—	—
Common stock, par value \$0.001455 per share, 150,000 shares authorized, 72,960 shares issued	106	106
Additional paid-in capital	274,366	261,735
Accumulated other comprehensive losses	(65,404)	(65,619)
Deferred compensation	7,960	7,949
Retained earnings	2,620,571	2,600,513
	2,837,599	2,804,684
Treasury stock at cost, 9,877 shares and 9,702 shares, respectively	(606,207)	(581,954)
Treasury stock held for deferred compensation, at cost, 167 shares, respectively	(7,960)	(7,949)
Total stockholders' equity	2,223,432	2,214,781
Total liabilities and stockholders' equity	\$ 4,035,240	\$ 4,091,004

See accompanying Notes to Condensed Consolidated Financial Statements

WOODWARD, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three-Months Ended December 31,	
	2021	2020
Cash flows from operating activities:		
Net earnings	\$ 30,305	\$ 41,570
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	30,721	33,077
Net gain on sales of assets and businesses	(1,538)	(588)
Stock-based compensation	11,892	13,469
Deferred income taxes	—	1,332
Changes in operating assets and liabilities:		
Trade accounts receivable	55,907	57,001
Unbilled receivables (contract assets)	(37,067)	(17,468)
Costs to fulfill a contract	(4,782)	(5,321)
Inventories	(32,890)	(2,528)
Accounts payable and accrued liabilities	(32,142)	22,725
Contract liabilities	4,029	8,509
Income taxes	8,813	1,795
Retirement benefit obligations	(1,163)	(1,317)
Other	7,205	(5,531)
Net cash provided by operating activities	39,290	146,725
Cash flows from investing activities:		
Payments for purchase of property, plant, and equipment	(13,123)	(7,263)
Proceeds from sale of assets	1	48
Payments for purchases of short-term investments	—	(2,740)
Proceeds from sales of short-term investments	7	—
Net cash used in investing activities	(13,115)	(9,955)
Cash flows from financing activities:		
Cash dividends paid	(10,247)	(5,102)
Proceeds from sales of treasury stock	3,198	10,855
Purchase of treasury stock	(39,258)	—
Borrowings on revolving lines of credit and short-term borrowings	—	74,400
Payments on revolving lines of credit and short-term borrowings	—	(74,400)
Payments of long-term debt and finance lease obligations	(381)	(100,395)
Net cash used in financing activities	(46,688)	(94,642)
Effect of exchange rate changes on cash and cash equivalents	(967)	6,483
Net change in cash and cash equivalents	(21,480)	48,611
Cash and cash equivalents, including restricted cash, at beginning of year	448,462	153,270
Cash and cash equivalents, including restricted cash, at end of period	<u>\$ 426,982</u>	<u>\$ 201,881</u>

See accompanying Notes to Condensed Consolidated Financial Statements

WOODWARD, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Number of shares			Stockholders' equity										
	Common stock	Treasury stock	Treasury stock held for deferred compensation	Accumulated other comprehensive (loss) earnings								Treasury stock at cost	Treasury stock held for deferred compensation	Total stockholders' equity
				Common stock	Additional paid-in capital	Foreign currency translation adjustments	Unrealized derivative gains (losses)	Minimum retirement benefit liability adjustments	Total accumulated other comprehensive (loss) earnings	Deferred compensation	Retained earnings			
Balances as of September 30, 2020	72,960	(10,277)	(199)	\$ 106	\$ 231,936	\$ (40,691)	\$ (20,457)	\$ (28,646)	(89,794)	\$ 9,222	\$ 2,427,905	\$ (577,476)	\$ (9,222)	\$ 1,992,677
Net earnings	—	—	—	—	—	—	—	—	—	—	41,570	—	—	41,570
Other comprehensive earnings (loss), net of tax	—	—	—	—	—	21,239	(11,038)	(723)	9,478	—	—	—	—	9,478
Cash dividends paid (\$0.0813 per share)	—	—	—	—	—	—	—	—	—	—	(5,102)	—	—	(5,102)
Sales of treasury stock	—	285	—	—	(1,011)	—	—	—	—	—	—	12,381	—	11,370
Stock-based compensation	—	—	—	—	13,469	—	—	—	—	—	—	—	—	13,469
Purchases/transfers of stock by/to deferred compensation plan	—	—	(3)	—	—	—	—	—	—	276	—	—	(276)	—
Distribution of stock from deferred compensation plan	—	—	1	—	—	—	—	—	—	(13)	—	—	13	—
Balances as of December 31, 2020	72,960	(9,992)	(201)	\$ 106	\$ 244,394	\$ (19,452)	\$ (31,495)	\$ (29,369)	\$ (80,316)	\$ 9,485	\$ 2,464,373	\$ (565,095)	\$ (9,485)	\$ 2,063,462
Balances as of September 30, 2021	72,960	(9,702)	(167)	\$ 106	\$ 261,735	\$ (32,904)	\$ (25,597)	\$ (7,118)	(65,619)	\$ 7,949	\$ 2,600,513	\$ (581,954)	\$ (7,949)	\$ 2,214,781
Net earnings	—	—	—	—	—	—	—	—	—	—	30,305	—	—	30,305
Other comprehensive earnings (loss), net of tax	—	—	—	—	—	(2,353)	2,214	354	215	—	—	—	—	215
Cash dividends paid (\$0.1625 per share)	—	—	—	—	—	—	—	—	—	—	(10,247)	—	—	(10,247)
Sales of treasury stock	—	58	—	—	739	—	—	—	—	—	—	2,489	—	3,228
Purchase of treasury stock	—	(233)	—	—	—	—	—	—	—	—	—	(26,742)	—	(26,742)
Stock-based compensation	—	—	—	—	11,892	—	—	—	—	—	—	—	—	11,892
Purchases/transfers of stock by/to deferred compensation plan	—	—	(1)	—	—	—	—	—	—	47	—	—	(47)	—
Distribution of stock from deferred compensation plan	—	—	1	—	—	—	—	—	—	(36)	—	—	36	—
Balances as of December 31, 2021	72,960	(9,877)	(167)	\$ 106	\$ 274,366	\$ (35,257)	\$ (23,383)	\$ (6,764)	\$ (65,404)	\$ 7,960	\$ 2,620,571	\$ (606,207)	\$ (7,960)	\$ 2,223,432

See accompanying Notes to Condensed Consolidated Financial Statements

WOODWARD, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except per share amounts)
(Unaudited)

Note 1. Basis of presentation

The Condensed Consolidated Financial Statements of Woodward, Inc. (“Woodward” or the “Company”) as of December 31, 2021 and for the three-months ended December 31, 2021 and 2020, included herein, have not been audited by an independent registered public accounting firm. These unaudited Condensed Consolidated Financial Statements reflect all normal recurring adjustments that, in the opinion of management, are necessary to present fairly Woodward’s financial position as of December 31, 2021, and the statements of earnings, comprehensive earnings, cash flows, and changes in stockholders’ equity for the periods presented herein. The results of operations for the three-months ended December 31, 2021 and 2020 are not necessarily indicative of the operating results to be expected for other interim periods or for the full fiscal year. Dollar and share amounts contained in these unaudited Condensed Consolidated Financial Statements are in thousands, except per share amounts, unless otherwise noted.

The unaudited Condensed Consolidated Financial Statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim reporting. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) have been condensed or omitted pursuant to such rules and regulations. Accordingly, these unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and Notes thereto included in Woodward’s most recent Annual Report on Form 10-K filed with the SEC and other financial information filed with the SEC.

Management is required to use estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the reported revenues and expenses recognized during the reporting period, and certain financial statement disclosures, in the preparation of the unaudited Condensed Consolidated Financial Statements included herein. Significant estimates in these unaudited Condensed Consolidated Financial Statements include allowances for credit losses; net realizable value of inventories; variable consideration including customer rebates earned and payable and early payment discounts; warranty reserves; useful lives of property and identifiable intangible assets; the evaluation of impairments of property, intangible assets, and goodwill; the provision for income tax and related valuation reserves; the valuation of derivative instruments; assumptions used in the determination of the funded status and annual expense of pension and postretirement employee benefit plans; the valuation of stock compensation instruments granted to employees, board members and any other eligible recipients; estimates of incremental borrowing rates used when estimating the present value of future lease payments; assumptions used when including renewal options or non-exercise of termination options in lease terms; estimates of total lifetime sales used in the recognition of revenue of deferred material rights and balance sheet classification of the related contract liability; estimates of total sales contract costs when recognizing revenue under the cost-to-cost method; and contingencies. Actual results could vary from Woodward’s estimates.

COVID-19 Pandemic

When combined with the various measures enacted by governments and private organizations to contain COVID-19 or slow its spread, the pandemic has adversely impacted global economic activity and contributed to volatility in financial markets; and the Company has likewise been significantly impacted by the global COVID-19 pandemic. The COVID-19 pandemic could continue to have a material adverse impact on economic and market conditions and presents uncertainty and risk with respect to the Company’s performance and financial results, including estimates and assumptions used by management for the reported amount of assets and liabilities.

Note 2. New accounting standards

From time to time, the Financial Accounting Standards Board (“FASB”) or other standards setting bodies issue new accounting pronouncements. Updates to the FASB Accounting Standards Codification (“ASC”) are communicated through issuance of an Accounting Standards Update (“ASU”).

In the time since the Company filed its most recent Annual Report on Form 10-K for the fiscal year ended September 30, 2021, no new accounting standards have been issued, or are pending issuance, that are expected to have a material impact on the Condensed Consolidated Financial Statements upon adoption.

Note 3. Revenue

The amount of revenue recognized as point in time or over time follows:

	Three-Months Ended December 31, 2021			Three-Months Ended December 31, 2020		
	Aerospace	Industrial	Consolidated	Aerospace	Industrial	Consolidated
Point in time	\$ 125,645	\$ 124,992	\$ 250,637	\$ 106,967	\$ 154,195	\$ 261,162
Over time	210,790	80,159	290,949	214,700	61,757	276,457
Total net sales	<u>\$ 336,435</u>	<u>\$ 205,151</u>	<u>\$ 541,586</u>	<u>\$ 321,667</u>	<u>\$ 215,952</u>	<u>\$ 537,619</u>

Accounts Receivable

Accounts receivable consisted of the following:

	December 31, 2021	September 30, 2021
Billed receivables		
Trade accounts receivable	\$ 258,270	\$ 298,951
Other (Chinese financial institutions)	7,041	23,168
Total billed receivables	265,311	322,119
Current unbilled receivables (contract assets)	244,214	204,596
Total accounts receivable	509,525	526,715
Less: Allowance for uncollectible amounts	(3,309)	(3,664)
Total accounts receivable, net	<u>\$ 506,216</u>	<u>\$ 523,051</u>

As of December 31, 2021, "Other assets" on the Condensed Consolidated Balance Sheets includes \$6,192 of unbilled receivables not expected to be invoiced and collected within a period of twelve months, compared to \$9,424 as of September 30, 2021.

Accounts receivable in Woodward's Condensed Consolidated Financial Statements represent the net amount expected to be collected, and an allowance for uncollectible amounts related to credit losses is established based on expected losses. Expected losses are estimated by reviewing specific customer accounts, taking into consideration accounts receivable aging, credit risk of the customers, and historical payment history, as well as current and forecasted economic conditions and other relevant factors.

The allowance for uncollectible amounts and change in expected credit losses for trade accounts receivable and unbilled receivables (contract assets) consisted of the following:

	Three-Months Ended December 31,	
	2021	2020
Balance, beginning	\$ 3,664	\$ 8,359
Charged to costs and expenses, or sales allowance	212	88
Deductions	(576)	(1,171)
Other additions ¹	9	223
Balance, ending	<u>\$ 3,309</u>	<u>\$ 7,499</u>

(1) Includes effects of foreign exchange rate changes during the period.

Contract liabilities

Contract liabilities consisted of the following:

	December 31, 2021		September 30, 2021	
	Current	Noncurrent	Current	Noncurrent
Deferred revenue from material rights from GE joint venture formation	\$ 5,017	\$ 233,055	\$ 4,771	\$ 234,237
Deferred revenue from advanced invoicing and/or prepayments from customers	2,207	62	4,192	290
Liability related to customer supplied inventory	15,771	—	14,169	—
Deferred revenue from material rights related to engineering and development funding	7,070	156,320	6,395	151,797
Net contract liabilities	<u>\$ 30,065</u>	<u>\$ 389,437</u>	<u>\$ 29,527</u>	<u>\$ 386,324</u>

Woodward recognized revenue of \$8,793 in the three-months ended December 31, 2021 from contract liabilities balances recorded as of October 1, 2021, compared to \$6,528 in the three-months ended December 31, 2020 from contract liabilities balances recorded as of October 1, 2020.

Remaining performance obligations

Remaining performance obligations related to the aggregate amount of the total contract transaction price of firm orders for which the performance obligation has not yet been recognized in revenue as of December 31, 2021 was \$1,388,495, compared to \$1,283,311 as of September 30, 2021, the majority of which relates to Woodward's Aerospace segment in both periods. Woodward expects to recognize almost all of these remaining performance obligations within two years after December 31, 2021.

Remaining performance obligations related to material rights that have not yet been recognized in revenue as of December 31, 2021 was \$472,201, compared to \$471,133 as of September 30, 2021, of which \$7,924 is expected to be recognized in the remainder of fiscal year 2022, \$14,825 is expected to be recognized in fiscal year 2023, and the remaining balance is expected to be recognized thereafter. Woodward expects to recognize revenue from performance obligations related to material rights over the life of the underlying programs, which may be as long as forty years.

Disaggregation of Revenue

Woodward designs, produces and services reliable, efficient, low-emission, and high-performance energy control products for diverse applications in markets throughout the world. Woodward reports financial results for each of its Aerospace and Industrial reportable segments. Woodward further disaggregates its revenue from contracts with customers by primary market as Woodward believes this best depicts how the nature, amount, timing and uncertainty of its revenue and cash flows are affected by economic factors.

Revenue by primary market for the Aerospace reportable segment was as follows:

	Three-Months Ended December 31,	
	2021	2020
Commercial OEM	\$ 104,826	\$ 76,081
Commercial aftermarket	86,086	65,515
Defense OEM	105,375	131,263
Defense aftermarket	40,148	48,808
Total Aerospace segment net sales	<u>\$ 336,435</u>	<u>\$ 321,667</u>

Revenue by primary market for the Industrial reportable segment was as follows:

	Three-Months Ended December 31,	
	2021	2020
Reciprocating engines	\$ 158,334	\$ 164,922
Industrial turbines	46,817	51,030
Total Industrial segment net sales	<u>\$ 205,151</u>	<u>\$ 215,952</u>

The customers who each account for approximately 10% or more of net sales of each of Woodward's reportable segments are as follows:

	Three-Months Ended December 31, 2021	Three-Months Ended December 31, 2020
Aerospace	The Boeing Company, General Electric Company, Raytheon Technologies	The Boeing Company, General Electric Company, Raytheon Technologies
Industrial	Rolls-Royce PLC, Wartsila	Rolls-Royce PLC, Weichai Westport, General Electric Company

Note 4. Earnings per share

Basic earnings per share is computed by dividing net earnings available to common stockholders by the weighted-average number of shares of common stock outstanding for the period.

Diluted earnings per share reflects the weighted-average number of shares outstanding after consideration of the dilutive effect of stock options and restricted stock.

The following is a reconciliation of net earnings to basic earnings per share and diluted earnings per share:

		Three-Months Ended December 31,	
		2021	2020
Numerator:			
Net earnings		\$ 30,305	\$ 41,570
Denominator:			
Basic shares outstanding		63,094	62,812
Dilutive effect of stock options and restricted stock		2,005	2,080
Diluted shares outstanding		65,099	64,892
Income per common share:			
Basic earnings per share		\$ 0.48	\$ 0.66
Diluted earnings per share		\$ 0.47	\$ 0.64

The following stock option grants were outstanding but were excluded from the computation of diluted earnings per share because their inclusion would have been anti-dilutive.

		Three-Months Ended December 31,	
		2021	2020
Options		477	587
Weighted-average option price		\$ 117.63	\$ 104.99

The weighted-average shares of common stock outstanding for basic and diluted earnings per share included the weighted-average treasury stock shares held for deferred compensation obligations of the following:

		Three-Months Ended December 31,	
		2021	2020
Weighted-average treasury stock shares held for deferred compensation obligations		168	200

Note 5. Leases

Lessee arrangements

Woodward has entered into operating leases for certain facilities and equipment with terms in excess of one year under agreements that expire at various dates. Some leases require the payment of property taxes, insurance, maintenance costs, or other similar costs in addition to rental payments. Woodward has also entered into finance leases for equipment with terms in excess of one year under agreements that expire at various dates.

Lease-related assets and liabilities follows:

Classification on the Condensed Consolidated Balance Sheets		December 31, 2021	September 30, 2021
Assets:			
Operating lease assets	Other assets	\$ 20,871	\$ 19,370
Finance lease assets	Property, plant and equipment, net	690	781
Total lease assets		21,561	20,151
Current liabilities:			
Operating lease liabilities	Accrued liabilities	5,270	5,260
Finance lease liabilities	Current portion of long-term debt	424	728
Noncurrent liabilities:			
Operating lease liabilities	Other liabilities	16,294	14,770
Finance lease liabilities	Long-term debt, less current portion	388	475
Total lease liabilities		\$ 22,376	\$ 21,233

Lease-related expenses were as follows:

	Three-Months Ended December 31,	
	2021	2020
Operating lease expense	\$ 1,607	\$ 1,553
Amortization of finance lease assets	79	126
Interest on finance lease liabilities	8	18
Variable lease expense	403	322
Short-term lease expense	40	82
Sublease income ¹	(192)	(168)
Total lease expense	\$ 1,945	\$ 1,933

(1) Relates to two separate subleases Woodward has entered into for a leased manufacturing building in Niles, Illinois.

Lease-related supplemental cash flow information was as follows:

	Three-Months Ended December 31,	
	2021	2020
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 1,343	\$ 1,151
Operating cash flows for finance leases	8	18
Financing cash flows for finance leases	382	396
Right-of-use assets obtained in exchange for recorded lease obligations:		
Operating leases	3,082	1,130
Finance leases	—	12

Lessor arrangements

Woodward has assessed its manufacturing contracts and concluded that certain of the contracts for the manufacture of customer products met the criteria to be considered a leasing arrangement (“embedded leases”) with Woodward as the lessor. The specific manufacturing contracts that met the criteria were those that utilized Woodward property, plant and equipment and which is substantially (more than 90%) dedicated to the manufacturing of the product(s) for a single customer. Woodward has dedicated manufacturing lines with four of its customers representing embedded leases, all of which qualified as operating leases with undefined quantities of future customer purchase commitments. Although Woodward expects to allocate some portion of future net sales to these customers to embedded lessor arrangements, it cannot provide expected future undiscounted lease payments from property, plant and equipment leased to customers as of December 31, 2021. If, in the future, customers reduce purchases of related products from Woodward, the Company believes it will derive additional value from the underlying equipment by repurposing its use to support other customer arrangements.

Revenue from contracts with customers that included embedded operating leases, which is included in “Net sales” in the Condensed Consolidated Statements of Earnings, was \$1,343 for the three-months ended December 31, 2021, compared to \$1,798 for the three-months ended December 31, 2020.

The carrying amount of property, plant and equipment leased to others through embedded leasing arrangements, included in “Property, plant and equipment, net” on the Condensed Consolidated Balance Sheets, follows:

	December 31, 2021	September 30, 2021
Property, plant and equipment leased to others through embedded leasing arrangements	\$ 71,958	\$ 93,732
Less accumulated depreciation	(27,070)	(35,733)
Property, plant and equipment leased to others through embedded leasing arrangements, net	\$ 44,888	\$ 57,999

Note 6. Joint venture

In fiscal year 2016, Woodward and General Electric Company (“GE”), acting through its GE Aviation business unit, consummated the formation of a strategic joint venture between Woodward and GE (the “JV”) to develop, manufacture and support fuel systems for specified existing and all future GE commercial aircraft engines that produce thrust in excess of fifty thousand pounds.

Unamortized deferred revenue from material rights in connection with the JV formation included:

	December 31, 2021	September 30, 2021
Accrued liabilities	\$ 5,017	\$ 4,771
Other liabilities	233,055	234,237

Amortization of the deferred revenue (material right) recognized as an increase to sales was \$936 for the three-months ended December 31, 2021, and \$1,182 for the three-months ended December 31, 2020.

Other income related to Woodward's equity interest in the earnings of the JV was as follows:

	Three-Months Ended December 31,	
	2021	2020
Other income	\$ 4,675	\$ 2,386

Cash distributions to Woodward from the JV, recognized in "Other, net" in "Net cash provided by operating activities" on the Condensed Consolidated Statements of Cash Flows, were as follows:

	Three-Months Ended December 31,	
	2021	2020
Cash distributions	\$ 2,500	\$ 3,500

Net sales to the JV were as follows:

	Three-Months Ended December 31,	
	2021	2020
Net sales ¹	\$ 7,274	\$ 10,059

(1) Net sales included a reduction of \$5,946 for the three-months ended December 31, 2021 related to royalties owed to the JV by Woodward on sales by Woodward directly to third party aftermarket customers, compared to a reduction to sales of \$4,420 for the three-months ended December 31, 2020.

The Condensed Consolidated Balance Sheets include "Accounts receivable" related to amounts the JV owed Woodward, "Accounts payable" related to amounts Woodward owed the JV, and "Other assets" related to Woodward's net investment in the JV, as follows:

	December 31, 2021	September 30, 2021
Accounts receivable	\$ 3,445	\$ 3,639
Accounts payable	2,726	2,823
Other assets	9,163	6,988

Note 7. Financial instruments and fair value measurements

The table below presents information about Woodward's financial assets and liabilities that are measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques Woodward utilized to determine such fair value as defined by the U.S. GAAP fair value hierarchy.

	At December 31, 2021				At September 30, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Investments in term deposits with foreign banks	\$ 53,145	\$ —	\$ —	\$ 53,145	\$ 13,187	\$ —	\$ —	\$ 13,187
Equity securities	31,355	—	—	31,355	29,714	—	—	29,714
Total financial assets	<u>\$ 84,500</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 84,500</u>	<u>\$ 42,901</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 42,901</u>
Financial liabilities:								
Cross-currency interest rate swaps	\$ —	\$ 37,426	\$ —	\$ 37,426	\$ —	\$ 50,185	\$ —	\$ 50,185
Total financial liabilities	<u>\$ —</u>	<u>\$ 37,426</u>	<u>\$ —</u>	<u>\$ 37,426</u>	<u>\$ —</u>	<u>\$ 50,185</u>	<u>\$ —</u>	<u>\$ 50,185</u>

Investments in term deposits with foreign banks: Woodward's foreign subsidiaries sometimes invest excess cash in various highly liquid financial instruments that Woodward believes are with creditworthy financial institutions. Such investments are reported in "Cash and cash equivalents" at fair value, with realized gains from interest income recognized in earnings. The carrying value of Woodward's investments in term deposits with foreign banks are considered equal to the fair value given the highly liquid nature of the investments.

Equity securities: Woodward holds marketable equity securities, through investments in various mutual funds, related to its deferred compensation program. Based on Woodward's intentions regarding these instruments, marketable equity securities are classified as trading securities. The trading securities are reported at fair value, with realized gains and losses recognized in "Other (income) expense, net" on the Condensed Consolidated Statements of Earnings. The trading securities are included in "Other assets" in the Condensed Consolidated Balance Sheets. The fair values of Woodward's trading securities are based on the quoted market prices for the net asset value of the various mutual funds.

Cross-currency interest rate swaps: Woodward holds cross-currency interest rate swaps, which are accounted for at fair value. In the Condensed Consolidated Balance Sheets, the swaps in an asset position are included in "Other assets," and swaps in a liability position are included in "Other liabilities". The fair values of Woodward's cross-currency interest rate swaps are determined using a market approach that is based on observable inputs other than quoted market prices, including contract terms, interest rates, currency rates, and other market factors.

Cash, trade accounts receivable, accounts payable, and short-term borrowings are not remeasured to fair value, as the carrying cost of each approximates its respective fair value.

The estimated fair values and carrying costs of other financial instruments that are not required to be remeasured at fair value in the Condensed Consolidated Balance Sheets were as follows:

		At December 31, 2021		At September 30, 2021	
	Fair Value Hierarchy Level	Estimated Fair Value	Carrying Cost	Estimated Fair Value	Carrying Cost
Assets:					
Notes receivable from municipalities	2	\$ 10,728	\$ 9,851	\$ 11,413	\$ 10,193
Note receivable from sale of the renewable power systems business and other related businesses	2	6,165	6,059	6,288	6,061
Investments in short-term time deposits	2	11,568	11,560	11,587	11,580
Liabilities:					
Long-term debt	2	\$ 793,605	\$ 732,028	\$ 812,866	\$ 736,706

In connection with certain economic incentives related to Woodward's development of a second campus in the greater-Rockford, Illinois area for its Aerospace segment and Woodward's development of a new campus at its corporate headquarters in Fort Collins, Colorado, Woodward received long-term notes from municipalities within the states of Illinois and Colorado. The fair value of the long-term notes was estimated based on a model that discounted future principal and interest payments received at an interest rate available to Woodward at the end of the period for similarly rated municipal notes of similar maturity, which is a level 2 input as defined by the U.S. GAAP fair value hierarchy. The interest rates used to estimate the fair value of the long-term notes were 1.2% at December 31, 2021 and 1.3% at September 30, 2021.

In connection with the sale of the renewable power systems business and other related businesses, Woodward received a promissory note from the buyer for deferral of a portion of the purchase price, which is due by April 30, 2022. The fair value of the note was estimated based on a model that discounted future principal and interest payments received at an interest rate available to Woodward at the end of the period for similarly rated promissory notes of similar maturity, which is a level 2 input as defined by the U.S. GAAP fair value hierarchy. The interest rate used to estimate the fair value of the note was 1.0% at both December 31, 2021 and at September 30, 2021.

From time to time, certain of Woodward's foreign subsidiaries will invest excess cash in short-term time deposits with a fixed maturity date of longer than three months but less than one year from the date of the deposit. Woodward believes that the investments are with creditworthy financial institutions. The fair value of the investments in short-term time deposits was estimated based on a model that discounted future principal and interest payments to be received at an interest rate available to the foreign subsidiary entering into the investment for similar short-term time deposits of similar maturity. This was determined to be a level 2 input as defined by the U.S. GAAP fair value hierarchy. The interest rates used to estimate the fair value of the short-term time deposits was 3.2% at December 31, 2021 and 3.3% at September 30, 2021.

The fair value of long-term debt was estimated based on the prices of comparable debt available to Woodward at the end of the period of similar type and maturity, which is a level 2 input as defined by the U.S. GAAP fair value hierarchy. The weighted-average interest rate used to estimate the fair value of long-term debt was 1.9% at December 31, 2021 and 1.6% at September 30, 2021.

Woodward does not have expected credit losses related to any financial assets that are not required to be remeasured at fair value.

Note 8. Derivative instruments and hedging activities

Derivative instruments not designated or qualifying as hedging instruments

In May 2020, Woodward entered into a floating-rate cross-currency interest rate swap (the “2020 Floating-Rate Cross-Currency Swap”), with a notional value of \$45,000, and five fixed-rate cross-currency interest rate swap agreements (the “2020 Fixed-Rate Cross-Currency Swaps”), with an aggregate notional value of \$400,000, which effectively reduced the interest rates on the underlying fixed and floating-rate debt, respectively, under the 2018 Notes (as defined in Note 15, *Credit Facilities, short-term borrowings and long-term debt*, in the Notes to the Consolidated Financial Statements included in Part II, Item 8 of Woodward’s most recently filed Form 10-K) and Woodward’s then existing revolving credit agreement.

The net interest income of the cross-currency interest rate swaps is recorded as a reduction to “Interest expense” in Woodward’s Condensed Consolidated Statements of Earnings. As of December 31, 2021, the total notional value of the 2020 Floating-Rate Cross-Currency Swap and the 2020 Fixed-Rate Cross-Currency Swaps was \$22,500 and \$400,000, respectively. See Note 7, *Financial Instruments and fair value measurements* for the related fair value of the derivative instruments as of December 31, 2021.

Derivatives instruments in fair value hedging relationships

In May 2020, Woodward entered into a US dollar denominated intercompany loan payable with identical terms and notional value as the 2020 Floating-Rate Cross-Currency Swap, together with a reciprocal intercompany floating-rate cross-currency interest rate swap. The agreements were entered into by Woodward Barbados Euro Financing SRL (“Euro Barbados”), a wholly owned subsidiary of Woodward. The US dollar denominated intercompany loan and reciprocal intercompany floating-rate cross-currency interest rate swap are designated as a fair value hedge under the criteria prescribed in ASC 815. The objective of the derivative instrument is to hedge against the foreign currency exchange risk attributable to the spot remeasurement of the US dollar denominated intercompany loan, as Euro Barbados maintains a Euro functional currency.

For each floating-rate intercompany cross-currency interest rate swap, only the change in the fair value related to the cross-currency basis spread, or excluded component, of the derivative instrument is recognized in accumulated other comprehensive income (“OCI”). The remaining change in the fair value of the derivative instrument is recognized in foreign currency transaction gain or loss included in “Selling, general and administrative costs” in Woodward’s Condensed Consolidated Statements of Earnings. The change in the fair value of the derivative instrument in foreign currency transaction gain or loss offsets the change in the spot remeasurement of the intercompany Euro and US dollar denominated loans. Hedge effectiveness is assessed based on the fair value changes of the derivative instrument, after excluding any fair value changes related to the cross-currency basis spread. The initial cost of the cross-currency basis spread is recorded in earnings each period through the swap accrual process. There are no credit-risk-related contingent features associated with the intercompany floating-rate cross-currency interest rate swap.

Derivative instruments in cash flow hedging relationships

In May 2020, Woodward entered into five US dollar intercompany loans payable, with identical terms and notional values of each tranche of the 2020 Fixed-Rate Cross-Currency Swaps, together with reciprocal fixed-rate intercompany cross-currency interest rate swaps. The agreements were entered into by Euro Barbados and are designated as cash flow hedges under the criteria prescribed in ASC 815. The objective of these derivative instruments is to hedge the risk of variability in cash flows attributable to the foreign currency exchange risk of cash flows for future principal and interest payments associated with the US dollar denominated intercompany loans over a thirteen-year period, as Euro Barbados maintains a Euro functional currency.

For each of the fixed-rate intercompany cross-currency interest rate swaps, changes in the fair values of the derivative instruments are recognized in accumulated OCI and reclassified to foreign currency transaction gain or loss included in "Selling, general and administrative costs" in Woodward's Condensed Consolidated Statements of Earnings. Reclassifications out of accumulated OCI of the change in fair value occur each reporting period based upon changes in the spot rate remeasurement of the Euro and US dollar denominated intercompany loans, including associated interest. Hedge effectiveness is assessed based on the fair value changes of the derivative instruments and such hedges are deemed to be highly effective in offsetting exposure to variability in foreign exchange rates. There are no credit-risk-related contingent features associated with these fixed-rate cross-currency interest rate swaps.

Derivatives instruments in net investment hedging relationships

On September 23, 2016, Woodward and Woodward International Holding B.V., a wholly owned subsidiary of Woodward organized under the laws of The Netherlands (the "BV Subsidiary"), each entered into a note purchase agreement (the "2016 Note Purchase Agreement") relating to the sale by Woodward and the BV Subsidiary of an aggregate principal amount of €160,000 of senior unsecured notes in a series of private placement transactions. Woodward issued €40,000 aggregate principal amount of Woodward's Series M Senior Notes due September 23, 2026 (the "Series M Notes"). Woodward designated the Series M Notes as a hedge of a foreign currency exposure of Woodward's net investment in its Euro denominated functional currency subsidiaries. Related to the Series M Notes, included in foreign currency translation adjustments within total comprehensive (losses) earnings are net foreign exchange gains of \$1,071 for the three-months ended December 31, 2021, compared to net foreign exchange losses of \$2,227 for the three-months ended December 31, 2020.

Impact of derivative instruments designated as qualifying hedging instruments

The following table discloses the amount of (income) expense recognized in earnings on derivative instruments designated as qualifying hedging instruments:

Derivatives in:	Location	Three-months ended December 31,	
		2021	2020
Cross-currency interest rate swap agreement designated as fair value hedges	Selling, general and administrative expenses	\$ (622)	\$ 1,850
Cross-currency interest rate swap agreements designated as cash flow hedges	Selling, general and administrative expenses	(9,453)	19,110
		<u>\$ (10,075)</u>	<u>\$ 20,960</u>

The following table discloses the amount of (gain) loss recognized in accumulated OCI on derivative instruments designated as qualifying hedging instruments:

Derivatives in:	Location	Three-months ended December 31,	
		2021	2020
Cross-currency interest rate swap agreement designated as fair value hedges	Selling, general and administrative expenses	\$ (500)	\$ 1,663
Cross-currency interest rate swap agreements designated as cash flow hedges	Selling, general and administrative expenses	(11,869)	28,995
		<u>\$ (12,369)</u>	<u>\$ 30,658</u>

The following table discloses the amount of (gain) loss reclassified from accumulated OCI into earnings on derivative instruments designated as qualifying hedging instruments:

Derivatives in:	Location	Three-months ended December 31,	
		2021	2020
Cross-currency interest rate swap agreement designated as fair value hedges	Selling, general and administrative expenses	\$ (622)	\$ 1,850
Cross-currency interest rate swap agreements designated as cash flow hedges	Selling, general and administrative expenses	(9,453)	19,110
		<u>\$ (10,075)</u>	<u>\$ 20,960</u>

The remaining unrecognized gains and losses in Woodward's Condensed Consolidated Balance Sheets associated with derivative instruments that were previously entered into by Woodward, which are classified in accumulated OCI, were net losses of \$24,212 as of December 31, 2021 and \$26,506 as of September 30, 2021.

Note 9. Supplemental statement of cash flows information

	Three-Months Ended December 31,	
	2021	2020
Interest paid, net of amounts capitalized	\$ 11,244	\$ 12,280
Income taxes paid	5,420	4,002
Income tax refunds received	6,428	—
Non-cash activities:		
Purchases of property, plant and equipment on account	1,521	1,699

Note 10. Inventories

	December 31, 2021	September 30, 2021
Raw materials	\$ 120,633	\$ 107,412
Work in progress	105,488	95,846
Component parts(1)	274,955	260,244
Finished goods	74,060	63,109
Customer supplied inventory	15,771	14,169
On-hand inventory for which control has transferred to the customer	(139,073)	(120,809)
	<u>\$ 451,834</u>	<u>\$ 419,971</u>

(1) Component parts include items that can be sold separately as finished goods or included in the manufacture of other products.

Note 11. Property, plant, and equipment

	December 31, 2021	September 30, 2021
Land and land improvements	\$ 85,829	\$ 86,051
Buildings and building improvements	554,026	553,693
Leasehold improvements	19,071	19,159
Machinery and production equipment	780,766	795,128
Computer equipment and software	124,590	124,444
Office furniture and equipment	40,033	39,987
Other	19,992	20,012
Construction in progress	40,364	38,317
	<u>1,664,671</u>	<u>1,676,791</u>
Less accumulated depreciation	<u>(730,268)</u>	<u>(726,222)</u>
Property, plant, and equipment, net	<u>\$ 934,403</u>	<u>\$ 950,569</u>

For the three-months ended December 31, 2021 and 2020, Woodward had depreciation expense as follows:

	Three-Months Ended December 31,	
	2021	2020
Depreciation expense	<u>\$ 21,033</u>	<u>\$ 22,608</u>

Note 12. Goodwill

	September 30, 2021	Effects of Foreign Currency Translation	December 31, 2021
Aerospace	\$ 455,423	\$ —	\$ 455,423
Industrial	349,910	(5,311)	344,599
Consolidated	<u>\$ 805,333</u>	<u>\$ (5,311)</u>	<u>\$ 800,022</u>

Woodward tests goodwill for impairment during the fourth quarter of each fiscal year, and at any time there is an indication that goodwill is more-likely-than-not impaired, such indications commonly referred to as triggering events. Woodward's goodwill impairment test in the fourth quarter of fiscal year 2021 resulted in no impairment.

Note 13. Intangible assets, net

	December 31, 2021			September 30, 2021		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
Intangible assets with finite lives:						
Customer relationships and contracts:						
Aerospace	\$ 281,683	\$ (213,676)	\$ 68,007	\$ 281,683	\$ (210,380)	\$ 71,303
Industrial	395,310	(60,396)	334,914	404,179	(56,515)	347,664
Total	<u>\$ 676,993</u>	<u>\$ (274,072)</u>	<u>\$ 402,921</u>	<u>\$ 685,862</u>	<u>\$ (266,895)</u>	<u>\$ 418,967</u>
Intellectual property:						
Aerospace	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Industrial	12,485	(12,485)	—	15,806	(15,806)	—
Total	<u>\$ 12,485</u>	<u>\$ (12,485)</u>	<u>\$ —</u>	<u>\$ 15,806</u>	<u>\$ (15,806)</u>	<u>\$ —</u>
Process technology:						
Aerospace	\$ 76,370	\$ (67,752)	\$ 8,618	\$ 76,370	\$ (67,177)	\$ 9,193
Industrial	88,295	(26,743)	61,552	90,008	(26,124)	63,884
Total	<u>\$ 164,665</u>	<u>\$ (94,495)</u>	<u>\$ 70,170</u>	<u>\$ 166,378</u>	<u>\$ (93,301)</u>	<u>\$ 73,077</u>
Intangible asset with indefinite life:						
Tradename:						
Aerospace	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Industrial	65,691	—	65,691	67,245	—	67,245
Total	<u>\$ 65,691</u>	<u>\$ —</u>	<u>\$ 65,691</u>	<u>\$ 67,245</u>	<u>\$ —</u>	<u>\$ 67,245</u>
Total intangibles:						
Aerospace	\$ 358,053	\$ (281,428)	\$ 76,625	\$ 358,053	\$ (277,557)	\$ 80,496
Industrial	561,781	(99,624)	462,157	577,238	(98,445)	478,793
Consolidated Total	<u>\$ 919,834</u>	<u>\$ (381,052)</u>	<u>\$ 538,782</u>	<u>\$ 935,291</u>	<u>\$ (376,002)</u>	<u>\$ 559,289</u>

Woodward tests the indefinite lived tradename intangible asset for impairment during the fourth quarter of each fiscal year, or at any time there is an indication the indefinite lived tradename intangible asset is more-likely-than-not impaired, such indications commonly referred to as triggering events. Woodward's impairment test for the indefinite lived tradename intangible asset in the fourth quarter of fiscal year 2021 resulted in no impairment.

For the three-months ended December 31, 2021 and 2020, Woodward recorded amortization expense associated with intangibles of the following:

	Three-Months Ended December 31,	
	2021	2020
Amortization expense	<u>\$ 9,688</u>	<u>\$ 10,469</u>

Future amortization expense associated with intangibles is expected to be:

Year Ending September 30:	
2022 (remaining)	\$ 28,905
2023	37,441
2024	33,690
2025	28,475
2026	28,465
Thereafter	316,115
	<u>\$ 473,091</u>

Note 14. Credit facilities, short-term borrowings and long-term debt**Revolving credit facility**

Woodward maintains a \$1,000,000 revolving credit facility established under a revolving credit agreement among Woodward, a syndicate of lenders and Wells Fargo Bank, National Association, as administrative agent (the "Revolving Credit Agreement"). The Revolving Credit Agreement provides for the option to increase available borrowings up to \$1,500,000, subject to lenders' participation. On November 24, 2021, Woodward amended the Revolving Credit Agreement (such amended agreement, the "Amended and Restated Revolving Credit Agreement") to, among other things, (i) replace the Euro London Interbank Offered Rate ("LIBOR"), the British pound sterling LIBOR, and the Japanese yen LIBOR, with the Euro Interbank Offered Rate ("Euribor"), Sterling Overnight Index Average ("SONIA"), and Tokyo Interbank Offered Rate ("TIBOR") rates respectively, and (ii) introduce the term Secured Overnight Financing Rate ("SOFR") as the replacement for US LIBOR. Borrowings under the Amended and Restated Revolving Credit Agreement can be made by Woodward and certain of its foreign subsidiaries in U.S. dollars or in foreign currencies other than the U.S. dollar and generally bear interest at the new base rates listed above plus 0.875% to 1.75%. The Amended and Restated Revolving Credit Agreement matures on June 19, 2024. Under the Revolving Credit Agreement and Amended and Restated Revolving Credit Agreement, there were no borrowings outstanding as of December 31, 2021 and September 30, 2021.

Short-term borrowings

Woodward has other foreign lines of credit and foreign overdraft facilities at various financial institutions, which are generally reviewed annually for renewal and are subject to the usual terms and conditions applied by the financial institutions. Pursuant to the terms of the related facility agreements, Woodward's foreign performance guarantee facilities are limited in use to providing performance guarantees to third parties. There were no borrowings outstanding on Woodward's foreign lines of credit and foreign overdraft facilities as of December 31, 2021 and September 30, 2021.

Note 15. Accrued liabilities

	December 31, 2021	September 30, 2021
Salaries and other member benefits	\$ 42,167	\$ 54,497
Warranties	13,203	17,481
Interest payable	5,331	14,822
Accrued retirement benefits	2,801	2,825
Net current contract liabilities	30,065	29,527
Current portion of restructuring charges	3,990	4,495
Taxes, other than income	19,171	19,453
Purchase of treasury stock in transit	—	12,516
Other	29,485	27,523
	<u>\$ 146,213</u>	<u>\$ 183,139</u>

Warranties

Provisions of Woodward's sales agreements include product warranties customary to these types of agreements. Accruals are established for specifically identified warranty issues that are probable to result in future costs. Warranty costs are accrued as revenue is recognized on a non-specific basis whenever past experience indicates a normal and predictable pattern exists.

Changes in accrued product warranties were as follows:

	Three-Months Ended December 31, 2021	2020
Warranties, beginning of period	\$ 17,481	\$ 18,972
Expense, net of (recoveries)	(762)	1,389
(Reductions) additions for settlement of previous warranty liabilities	(3,479)	392
Foreign currency exchange rate changes	(37)	326
Warranties, end of period	<u>\$ 13,203</u>	<u>\$ 21,079</u>

Restructuring charges

In fiscal year 2021, the Company recognized restructuring charges relating to workforce management costs to align the Company's hydraulics and engine systems businesses with current market conditions. During such fiscal year, restructuring charges of \$5,008 were recorded as nonsegment expenses, the majority of which are expected to be paid within twelve months from December 31, 2021.

In fiscal year 2020, the Company committed to a plan of termination (the "Termination Plan") as well as other cost savings actions, in response to the ongoing global economic challenges resulting from the COVID-19 pandemic and its impact on the Company's business. The Termination Plan involved the termination and/or furlough of employees and contractors at certain of the Company's operating facilities, primarily in the United States. As a result of the Termination Plan and other related actions, the Company incurred \$23,673 of restructuring charges for employee severance and benefits costs. All of the restructuring charges recorded during the fiscal year ended September 30, 2020 were recorded as nonsegment expenses and were paid as of September 30, 2021.

The summary of activity in accrued restructuring charges during the three-months ended December 31, 2021 and 2020 are as follows:

	Balances as of September 30, 2021	Period Activity				Balances as of December 31, 2021
		Charges	Payments	Foreign currency exchange rate changes	Non-cash activity	
Workforce management costs associated with:						
Hydraulics Systems Realignment	\$ 3,758	\$ —	\$ (505)	\$ —	\$ —	\$ 3,253
Engine Systems Realignment	1,250	—	—	—	—	1,250
Total	\$ 5,008	\$ —	\$ (505)	\$ —	\$ —	\$ 4,503

Other liabilities included \$513 of accrued restructuring charges that are not expected to be settled or paid within twelve months of December 31, 2021.

	Balances as of September 30, 2020	Period Activity				Balances as of December 31, 2020
		Charges	Payments	Foreign currency exchange rate changes	Non-cash activity	
Workforce management costs associated with:						
COVID-19 pandemic	\$ 3,395	\$ —	\$ (1,742)	\$ 45	\$ (102)	\$ 1,596
Total	\$ 3,395	\$ —	\$ (1,742)	\$ 45	\$ (102)	\$ 1,596

Note 16. Other liabilities

	December 31, 2021	September 30, 2021
Net accrued retirement benefits, less amounts recognized within accrued liabilities	\$ 106,815	\$ 107,074
Total unrecognized tax benefits	11,392	13,412
Noncurrent income taxes payable	16,257	16,257
Deferred economic incentives (1)	7,918	8,173
Cross-currency swap derivative liability	37,426	50,185
Noncurrent operating lease liabilities	16,294	14,770
Net noncurrent contract liabilities	389,437	386,324
Other	10,766	21,713
	<u>\$ 596,305</u>	<u>\$ 617,908</u>

(1) Woodward receives certain economic incentives from various state and local authorities related to capital expansion projects. Such amounts are initially recorded as deferred credits and are being recognized as a reduction to pre-tax expense over the economic lives of the related capital expansion projects.

Note 17. Other (income) expense, net

	Three-Months Ended December 31,	
	2021	2020
Equity interest in the earnings of the JV	\$ (4,675)	\$ (2,386)
Net gain on sales of assets and businesses	(1,538)	(588)
Rent income	(343)	(350)
Net gain on investments in deferred compensation program	(1,075)	(983)
Other components of net periodic pension and other postretirement benefit, excluding service cost and interest expense	(2,901)	(3,650)
Other	(142)	(166)
	<u>\$ (10,674)</u>	<u>\$ (8,123)</u>

Note 18. Income taxes

The determination of the estimated annual effective tax rate is based upon a number of significant estimates and judgments. In addition, as a global commercial enterprise, Woodward's tax expense can be impacted by changes in tax rates or laws, the finalization of tax audits and reviews, changes in the estimate of the amount of undistributed foreign earnings that Woodward considers indefinitely reinvested, issuance of future guidance, interpretation, and rule-making, and other factors that cannot be predicted with certainty. As such, there can be significant volatility in interim tax provisions.

The following table sets forth the tax expense and the effective tax rate for Woodward's earnings before income taxes:

	Three-Months Ended December 31,	
	2021	2020
Earnings before income taxes	\$ 37,746	\$ 47,584
Income tax expense	7,441	6,014
Effective tax rate	19.7%	12.6%

The increase in the effective tax rate for the three-months ended December 31, 2021 compared to the three-months ended December 31, 2020 is primarily attributable to a reduction in the income tax benefit from stock-based compensation exercises and the net impact of increased projected full-year earnings.

Gross unrecognized tax benefits were \$13,135 as of December 31, 2021, and \$15,199 as of September 30, 2021. At December 31, 2021, the amount of the liability for unrecognized tax benefits that, if recognized, would impact Woodward's effective tax rate was \$8,356. At this time, Woodward believes it is reasonably possible that the liability for unrecognized tax benefits will decrease by as much as \$4,345 in the next twelve months due to the completion of review by tax authorities, lapses of statutes, and the settlement of tax positions. Woodward's tax expense includes accruals for potential interest and penalties related to unrecognized tax benefits and all other interest and penalties related to tax payments.

Woodward's tax returns are subject to audits by U.S. federal, state, and foreign tax authorities, and these audits are at various stages of completion at any given time. Reviews of tax matters by authorities and lapses of the applicable statutes of limitation may result in changes to tax expense. Woodward's fiscal years remaining open to examination for U.S. Federal income taxes include fiscal years 2018 and thereafter. Woodward's fiscal years remaining open to examination for significant U.S. state income tax jurisdictions include fiscal years 2017 and thereafter. Woodward's fiscal years remaining open to examination in significant foreign jurisdictions include 2017 and thereafter.

Note 19. Retirement benefits

Woodward provides various retirement benefits to eligible members of the Company, including contributions to various defined contribution plans, pension benefits associated with defined benefit plans, postretirement medical benefits and postretirement life insurance benefits. Eligibility requirements and benefit levels vary depending on employee location.

Defined contribution plans

Most of the Company's U.S. employees are eligible to participate in the U.S. defined contribution plan. The U.S. defined contribution plan allows employees to defer part of their annual income for income tax purposes into their personal 401(k) accounts. The Company makes matching contributions to eligible employee accounts, which are also deferred for employee personal income tax purposes. Certain non-U.S. employees are also eligible to participate in similar non-U.S. plans.

The amount of expense associated with defined contribution plans was as follows:

	Three-Months Ended December 31,	
	2021	2020
Company costs	\$ 10,951	\$ 8,036

Defined benefit plans

Woodward has defined benefit plans that provide pension benefits for certain retired employees in the United States, the United Kingdom, Japan, and Germany. Woodward also provides other postretirement benefits to its employees including postretirement medical benefits and life insurance benefits. Postretirement medical benefits are provided to certain current and retired employees and their covered dependents and beneficiaries in the United States. Life insurance benefits are provided to certain retirees in the United States under frozen plans, which are no longer available to current employees. A September 30 measurement date is utilized to value plan assets and obligations for all of Woodward's defined benefit pension and other postretirement benefit plans.

U.S. GAAP requires that, for obligations outstanding as of September 30, 2021, the funded status reported in interim periods shall be the same asset or liability recognized in the previous year end statement of financial position adjusted for (a) subsequent accruals of net periodic benefit cost that exclude the amortization of amounts previously recognized in other comprehensive income (for example, subsequent accruals of service cost, interest cost, and return on plan assets) and (b) contributions to a funded plan or benefit payments.

The components of the net periodic retirement pension costs recognized are as follows:

	Three-Months Ended December 31,					
	United States		Other Countries		Total	
	2021	2020	2021	2020	2021	2020
Service cost	\$ 389	\$ 432	\$ 621	\$ 729	\$ 1,010	\$ 1,161
Interest cost	1,320	1,239	426	333	1,746	1,572
Expected return on plan assets	(2,713)	(3,536)	(645)	(602)	(3,358)	(4,138)
Amortization of:						
Net actuarial loss	65	135	146	228	211	363
Prior service cost	245	242	6	6	251	248
Net periodic retirement pension (benefit) cost	\$ (694)	\$ (1,488)	\$ 554	\$ 694	\$ (140)	\$ (794)
Contributions paid	\$ —	\$ —	\$ 688	\$ 543	\$ 688	\$ 543

The components of net periodic retirement pension costs other than the service cost and interest cost components are included in the line item "Other (income) expense, net", and the interest component is included in the line item "Interest expense" in the Condensed Consolidated Statements of Earnings.

The components of the net periodic other postretirement benefit costs recognized are as follows:

	Three-Months Ended December 31,	
	2021	2020
Service cost	\$ —	\$ —
Interest cost	144	150
Amortization of:		
Net actuarial (gain) loss	(24)	7
Prior service cost	—	—
Net periodic other postretirement cost	\$ 120	\$ 157
Contributions paid	\$ 471	\$ 38

The components of net periodic other postretirement benefit costs other than the service cost and interest cost components are included in the line item “Other (income) expense, net”, and the interest cost component is included in the line item “Interest expense” in the Condensed Consolidated Statements of Earnings.

The amount of cash contributions made to these plans in any year is dependent upon a number of factors, including minimum funding requirements in the jurisdictions in which Woodward operates and arrangements made with trustees of certain foreign plans. As a result, the actual funding in fiscal year 2022 may differ from the current estimate. Woodward estimates its remaining cash contributions in fiscal year 2022 will be as follows:

Retirement pension benefits:		
United States	\$	—
United Kingdom		943
Japan		—
Germany		832
Other postretirement benefits		2,328

Note 20. Stockholders’ equity

Stock repurchase program

In November 2019, the Woodward board of directors (the “Board”) authorized a program for the repurchase of up to \$500,000 of Woodward’s outstanding shares of common stock on the open market or in privately negotiated transactions over a three-year period that was scheduled to expire in November 2022 (the “2019 Authorization”). During the three-months ended December 31, 2021, Woodward repurchased 233 shares of its common stock for \$26,742 under the 2019 Authorization. During the first three-months ended December 31, 2020, Woodward repurchased no shares of its common stock under the 2019 Authorization.

In January 2022, the Board terminated the 2019 Authorization and concurrently authorized a new program for the repurchase of up to \$800,000 of Woodward’s outstanding shares of common stock on the open market or in privately negotiated transactions over a two-year period that will end in January 2024 (the “2022 Authorization”).

Stock-based compensation

Provisions governing outstanding stock option awards are included in the 2017 Omnibus Incentive Plan, as amended from time to time (the “2017 Plan”) and the 2006 Omnibus Incentive Plan (the “2006 Plan”), as applicable.

The 2017 Plan was first approved by Woodward’s stockholders in January 2017 and is the successor plan to the 2006 Plan. As of September 14, 2016, the effective date of the 2017 Plan, the Board delegated authority to administer the 2017 Plan to the Compensation Committee of the Board (the “Committee”), including, but not limited to, the power to determine the recipients of awards and the terms of those awards. On January 27, 2021 and January 26, 2022, Woodward’s stockholders approved an additional 1,500 and 800 shares, respectively, of Woodward’s common stock to be made available for future grants. Under the 2017 Plan, there were approximately 2,281 shares of Woodward’s common stock available for future grants as of December 31, 2021 and 2,714 shares as of September 30, 2021.

Stock options

Woodward believes that stock options align the interests of its employees and directors with the interests of its stockholders. Stock option awards are granted with an exercise price equal to the market price of Woodward’s stock at the date the grants are awarded, a ten-year term, and generally have a four-year vesting schedule at a rate of 25% per year.

The fair value of options granted is estimated as of the grant date using the Black-Scholes-Merton option-valuation model using the assumptions in the following table. Woodward calculates the expected term, which represents the average period of time that stock options granted are expected to be outstanding, based upon historical experience of plan participants. Expected volatility is based on historical volatility using daily stock price observations. The estimated dividend yield is based upon Woodward’s historical dividend practice and the market value of its common stock. The risk-free rate is based on the U.S. treasury yield curve, for periods within the contractual life of the stock option, at the time of grant.

The following is a summary of the activity for stock option awards:

	Three-Months Ended December 31, 2021	
	Number of options	Weighted-Average Exercise Price per Share
Options, beginning balance	5,339	\$ 68.21
Options granted	437	117.60
Options exercised	(57)	55.89
Options forfeited	(8)	83.89
Options, ending balance	5,711	72.10

Changes in non-vested stock options were as follows:

	Three-Months Ended December 31, 2021	
	Number of options	Weighted-Average Grant Date Fair Value per Share
Non-vested options outstanding, beginning balance	2,063	\$ 25.77
Options granted	437	42.19
Options vested	(648)	26.53
Options forfeited	(8)	27.97
Non-vested options outstanding, ending balance	1,844	29.39

Information about stock options that have vested, or are expected to vest, and are exercisable at December 31, 2021 was as follows:

	Number of options	Weighted-Average Exercise Price	Weighted-Average Remaining Life in Years	Aggregate Intrinsic Value
Options outstanding	5,711	\$ 72.10	6.1	\$ 217,330
Options vested and exercisable	3,867	63.41	4.9	178,128
Options vested and expected to vest	5,632	71.77	6.0	215,890

Stock-based compensation expense

Woodward recognizes stock-based compensation expense on a straight-line basis over the requisite service period. Pursuant to form stock option agreements used by the Company, with terms approved by the administrator of the applicable plan, the requisite service period can be less than the four-year vesting period based on grantee's retirement eligibility. As such, the recognition of stock-based compensation expense associated with some stock option grants can be accelerated to a period of less than four years, including immediate recognition of stock-based compensation expense on the date of grant.

At December 31, 2021, there was approximately \$16,449 of total unrecognized compensation expense related to non-vested stock-based compensation arrangements, including both stock options and restricted stock awards. The pre-vesting forfeiture rates for purposes of determining stock-based compensation expense recognized were estimated to be 0% for members of the Board and 7.3% for all others. The remaining unrecognized compensation cost is expected to be recognized over a weighted-average period of approximately 2.3 years.

Note 21. Commitments and contingencies

Woodward is currently involved in claims, pending or threatened litigation or other legal proceedings, investigations and/or regulatory proceedings arising in the normal course of business, including, among others, those relating to product liability claims, employment matters, worker's compensation claims, contractual disputes, product warranty claims and alleged violations of various laws and regulations. Woodward accrues for known individual matters using estimates of the most likely amount of loss where it believes that it is probable the matter will result in a loss when ultimately resolved and such loss is reasonably estimable. Legal costs are expensed as incurred and are classified in "Selling, general and administrative expenses" on the Condensed Consolidated Statements of Earnings.

Woodward is partially self-insured in the United States for healthcare and worker's compensation up to predetermined amounts, above which third party insurance applies. Management regularly reviews the probable outcome of related claims and proceedings, the expenses expected to be incurred, the availability and limits of the insurance coverage, and the established accruals for liabilities.

While the outcome of pending claims, legal and regulatory proceedings, and investigations cannot be predicted with certainty, management believes that any liabilities that may result from these claims, proceedings and investigations will not have a material effect on Woodward's liquidity, financial condition, or results of operations.

In the event of a change in control of Woodward, as defined in change-in-control agreements with its corporate officers, Woodward may be required to pay termination benefits to such officers.

Note 22. Segment information

Woodward serves the aerospace and industrial markets through its two reportable segments – Aerospace and Industrial. When appropriate, Woodward's reportable segments are aggregations of Woodward's operating segments. Woodward uses operating segment information internally to manage its business, including the assessment of operating segment performance and decisions for the allocation of resources between operating segments.

The accounting policies of the reportable segments are the same as those of the Company. Woodward evaluates segment profit or loss based on internal performance measures for each segment in a given period. In connection with that assessment, Woodward generally excludes matters such as certain charges for restructuring, interest income and expense, certain gains and losses from asset dispositions, or other non-recurring and/or non-operationally related expenses.

A summary of consolidated net sales and earnings by segment follows:

	Three-Months Ended December 31,	
	2021	2020
Segment external net sales:		
Aerospace	\$ 336,435	\$ 321,667
Industrial	205,151	215,952
Total consolidated net sales	<u>\$ 541,586</u>	<u>\$ 537,619</u>
Segment earnings:		
Aerospace	\$ 51,083	\$ 46,466
Industrial	23,693	32,888
Nonsegment expenses	(29,365)	(23,359)
Interest expense, net	(7,665)	(8,411)
Consolidated earnings before income taxes	<u>\$ 37,746</u>	<u>\$ 47,584</u>

Segment assets consist of accounts receivable; inventories; property, plant, and equipment, net; goodwill; and other intangibles, net. A summary of consolidated total assets by segment follows:

	December 31, 2021	September 30, 2021
Segment assets:		
Aerospace	\$ 1,680,730	\$ 1,698,833
Industrial	1,445,786	1,453,423
Unallocated corporate property, plant and equipment, net	104,813	106,014
Other unallocated assets	803,911	832,734
Consolidated total assets	<u>\$ 4,035,240</u>	<u>\$ 4,091,004</u>

Note 23. Subsequent events

On January 26, 2022, the Board approved a cash dividend of \$0.19 per share for the quarter, payable on March 7, 2022, for stockholders of record as of February 21, 2022.

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

Forward Looking Statements

This Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations," contains forward-looking statements regarding future events and our future results within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are statements that are deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of management. Words such as "anticipate," "believe," "estimate," "seek," "goal," "expect," "forecast," "intend," "continue," "outlook," "plan," "project," "target," "strive," "can," "could," "may," "should," "will," "would," variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characteristics of future events or circumstances are forward-looking statements. Forward-looking statements may include, among others, statements relating to:

- the impacts on our business relating to the global COVID-19 pandemic, including the impacts thereof on our industries, to supply and demand, and measures taken by governments and private industry in response;
- future sales, earnings, cash flow, uses of cash, and other measures of financial performance;
- trends in our business and the markets in which we operate, including expectations in those markets in future periods;
- our expected expenses in future periods and trends in such expenses over time;
- descriptions of our plans and expectations for future operations;
- our expectations with regard to the status of the Boeing 737 MAX aircraft, the related impact on our original equipment manufacturer and initial provision sales, and the aircraft's return to service;
- plans and expectations relating to the performance of our joint venture with General Electric Company;
- the effect of economic trends or growth;
- the expected levels of activity in particular industries or markets and the effects of changes in those levels;
- the scope, nature, or impact of acquisition activity and integration of such acquisition into our business;
- the research, development, production, and support of new products and services;
- restructuring and alignment costs and savings;
- our plans, objectives, expectations and intentions with respect to business opportunities that may be available to us;
- our liquidity, including our ability to meet capital spending requirements and operations;
- future repurchases of common stock;
- future levels of indebtedness and capital spending;
- the stability of financial institutions, including those lending to us;
- pension and other postretirement plan assumptions and future contributions; and
- our tax rate and other effects of changes in applicable tax laws.

We undertake no obligation to revise or update any forward-looking statements for any reason, except as required by applicable law.

Unless we have indicated otherwise or the context otherwise requires, references in this Form 10-Q to "Woodward," "the Company," "we," "us," and "our" refer to Woodward, Inc. and its consolidated subsidiaries.

Except where we have otherwise indicated or the context otherwise requires, amounts presented in this Form 10-Q are in thousands, except per share amounts.

OVERVIEW

COVID-19 Pandemic

In March 2020, the World Health Organization declared COVID-19 to be a global pandemic. The pandemic has led to significant volatility in financial, commodities (including oil and gas) and other markets and industries (including the aviation industry) and has negatively affected our business and results of operations. We have reacted quickly to navigate the uncertain market environment, reduce our cost structure, increase our focus on operational excellence, and prioritize diligent cash management. The aggressive actions we implemented continue to drive strong cash flow, improve our liquidity and overall financial position, and enable ongoing investments in opportunities for growth in the markets in which we do business.

Although we saw positive signs of recovery during the first quarter of fiscal year 2022 across most of our end markets, ongoing industry-wide COVID-19 related disruptions, including supply chain constraints and labor shortages, adversely impacted our operations and caused some customer-initiated shipment delays. We are unable to predict the extent to which the pandemic and related impacts will continue to adversely affect our business, including our operational performance, results of operations, financial position, and the achievement of our strategic objectives. Nonetheless, we believe the current industry-wide COVID-19 situation and related disruptions will improve, and that our end markets will continue to recover for the remainder of the fiscal year.

We will continue to actively monitor the situation and may potentially take further actions to alter our business operations if we determine such actions are in the best interests of our shareholders, employees, customers, communities, business partners, and suppliers, or as required by federal, state, or local authorities. It is not clear what the potential effects of any such alterations or modifications may have on our business in future periods, including the effects on our customers, employees, and prospects, or on our financial results.

Operational Highlights

Quarter to Date Highlights

	Three-Months Ended December 31,	
	2021	2020
Net Sales:		
Aerospace segment net sales	\$ 336,435	\$ 321,667
Industrial segment	205,151	215,952
Total consolidated net sales	<u>\$ 541,586</u>	<u>\$ 537,619</u>
Earnings:		
Aerospace segment	\$ 51,083	\$ 46,466
<i>Segment earnings as a percent of segment net sales</i>	15.2%	14.4%
Industrial segment	\$ 23,693	\$ 32,888
<i>Segment earnings as a percent of segment net sales</i>	11.5%	15.2%
Consolidated net earnings	\$ 30,305	\$ 41,570
Adjusted net earnings	\$ 36,291	\$ 41,570
Effective tax rate	19.7%	12.6%
Adjusted effective tax rate	20.6%	12.6%
Consolidated diluted earnings per share	\$ 0.47	\$ 0.64
Consolidated adjusted diluted earnings per share	\$ 0.56	\$ 0.64
Earnings before interest and taxes ("EBIT")	\$ 45,411	\$ 55,995
Adjusted EBIT	\$ 53,393	\$ 55,995
Earnings before interest, taxes, depreciation, and amortization ("EBITDA")	\$ 76,132	\$ 89,072
Adjusted EBITDA	\$ 84,114	\$ 89,072

Adjusted net earnings, adjusted earnings per share, adjusted effective tax rate, EBIT, adjusted EBIT, EBITDA, and adjusted EBITDA are non-U.S. GAAP financial measures. A description of these measures as well as a reconciliation of these non-U.S. GAAP financial measures to the closest U.S. GAAP financial measures can be found under the caption "Non-U.S. GAAP Measures" in this Item 2 – Management's Discussion and Analysis of Financial Conditions and Results of Operations.

Liquidity Highlights

Net cash provided by operating activities for the first quarter of fiscal year 2022 was \$39,290, compared to \$146,725 for the first quarter of fiscal year 2021. The decrease in net cash provided by operating activities in the first quarter of fiscal year 2022 compared to the first quarter of the prior fiscal year is primarily attributable to working capital increases to support this fiscal year's anticipated growth, including the timing of cash payments to suppliers.

For the first quarter of fiscal year 2022, free cash flow, which we define as net cash flow from operating activities less payments for property, plant and equipment, was \$26,167, compared to \$139,462 for the first quarter of fiscal year 2021. The decrease in free cash flow for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily due to working capital increases to support this fiscal year's anticipated growth, including the timing of cash payments to suppliers, and higher payments for property, plant and equipment. Adjusted free cash flow, which we define as free cash flow, plus the cash payments for costs related to business development activities and restructuring activities, was \$27,442 for the first quarter of fiscal year 2022. No adjustments were made to free cash flow for the first quarter of fiscal year 2021. Free cash flow and adjusted free cash flow are non-U.S. GAAP financial measures. A description of these measures as well as a reconciliation of these non-U.S. GAAP financial measures to the closest U.S. GAAP financial measures can be found under the caption "Non-U.S. GAAP Measures" in this Item 2 – Management's Discussion and Analysis of Financial Conditions and Results of Operations.

At December 31, 2021, we held \$426,982 in cash and cash equivalents and had total outstanding debt of \$730,250. We have additional borrowing availability of \$989,131, net of outstanding letters of credit, under our revolving credit agreement. At December 31, 2021, we also had additional borrowing capacity of \$7,336 under various foreign lines of credit and foreign overdraft facilities.

RESULTS OF OPERATIONS

The following table sets forth consolidated statements of earnings data as a percentage of net sales for each period indicated:

	Three-Months Ended			
	December 31, 2021	% of Net Sales	December 31, 2020	% of Net Sales
Net sales	\$ 541,586	100%	\$ 537,619	100%
Costs and expenses:				
Cost of goods sold	419,151	77.4%	401,640	74.7%
Selling, general, and administrative expenses	62,306	11.5%	56,111	10.4%
Research and development costs	25,392	4.7%	31,996	6.0%
Interest expense	8,306	1.5%	8,906	1.7%
Interest income	(641)	(0.1)%	(495)	(0.1)%
Other (income) expense, net	(10,674)	(2.0)%	(8,123)	(1.5)%
Total costs and expenses	503,840	93.0%	490,035	91.1%
Earnings before income taxes	37,746	7.0%	47,584	8.9%
Income tax expense	7,441	1.4%	6,014	1.1%
Net earnings	\$ 30,305	5.6%	\$ 41,570	7.7%

Other select financial data:

	December 31, 2021	September 30, 2021
Working capital	\$ 1,117,223	\$ 1,098,466
Total debt	730,250	734,850
Total stockholders' equity	2,223,432	2,214,781

Net Sales

Consolidated net sales for the first quarter of fiscal year 2022 increased by \$3,967, or 0.7%, compared to the same period of fiscal year 2021.

Details of the changes in consolidated net sales are as follows:

	Three-Month Period	
Consolidated net sales for the period ended December 31, 2020	\$	537,619
Aerospace volume		12,230
Industrial volume		(8,208)
Noncash consideration		(1,552)
Effects of changes in price and sales mix		5,579
Effects of changes in foreign currency rates		(4,082)
Consolidated net sales for the period ended December 31, 2021	\$	541,586

The increase in consolidated net sales for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily attributable to an increase in commercial aerospace sales volume.

In the Aerospace segment, the increase in net sales for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily attributed to an increase in commercial sales from higher global air passenger traffic, partially offset by lower defense OEM and aftermarket sales. During the first quarter of fiscal year 2022, Aerospace segment net sales were negatively impacted by approximately \$42,000 due to ongoing industry-wide COVID-19 related disruptions, including supply chain constraints, labor shortages, and some customer-initiated shipment delays.

In the Industrial segment, the decrease in net sales for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily attributable to weakness natural gas engine sales in China and unfavorable foreign currency impacts, partially offset by higher marine sales. During the first quarter of fiscal year 2022, Industrial segment net sales were negatively impacted by approximately \$28,000 due to ongoing industry-wide COVID-19 related disruptions, including supply chain constraints and labor shortages.

Costs and Expenses

Cost of goods sold increased by \$17,511 to \$419,151, or 77.4% of net sales, for the first quarter of fiscal year 2022, from \$401,640, or 74.7% of net sales, for the first quarter of fiscal year 2021. The increase in cost of goods sold in the first quarter of fiscal year 2022 compared to the same period of the prior fiscal year is primarily due to increased Aerospace commercial OEM sales volume, which traditionally have lower margins, and higher manufacturing costs to support this fiscal year's anticipated growth.

Gross margin (as measured by net sales less cost of goods sold, divided by net sales) was 22.6% for the first quarter, compared to 25.3% for the first quarter of fiscal year 2021. The decrease in gross margin for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily attributable to increased Aerospace commercial OEM sales volume, which traditionally have lower margins.

Selling, general and administrative expenses increased by \$6,195, or 11.0%, to \$62,306 for the first quarter of fiscal year 2022, compared to \$56,111 for the first quarter of fiscal year 2021. Selling, general, and administrative expenses as a percentage of net sales increased to 11.5% for the first quarter of fiscal year 2022, compared to 10.4% for the first quarter of fiscal year 2021. The increase in selling, general and administrative expenses, both in dollars and as a percentage of net sales, for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily due to an increase in certain expenses incurred in the first quarter of fiscal year 2022 in connection with a non-recurring matter unrelated to the ongoing operations of the business and certain business development activities, each of which did not occur in the prior fiscal year quarter.

Research and development costs decreased by \$6,604, or 20.6%, to \$25,392 for the first quarter of fiscal year 2022, as compared to \$31,996 for the first quarter of fiscal year 2021. As a percentage of net sales, research and development costs decreased to 4.7% for the first quarter of fiscal year 2022, as compared to 6.0% for the same period of the prior fiscal year. The decrease in research and development costs, both in dollars and as a percentage of net sales, for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily due to lower spending on Aerospace programs, as well as variability in the timing of projects and expenses. Our research and development activities extend across almost all of our customer base, and we anticipate ongoing variability in research and development due to the timing of customer business needs on current and future programs.

Interest expense decreased by \$600, or 6.7%, to \$8,306 for the first quarter of fiscal year 2022, compared to \$8,906 for the first quarter of fiscal year 2021. Interest expense decreased as a percentage of net sales to 1.5% for the first quarter of fiscal year 2022, as compared to 1.7% for the first quarter of fiscal year 2021. The decrease in interest expense, both in dollars and as a percentage of net sales, for the first quarter of fiscal year 2022 as compared to the same period of the prior year is primarily attributable to reduced long-term debt balances and borrowings from the revolving credit facility. In the first quarter of fiscal year 2021, we paid the entire balance of two series of private placement notes totaling \$100,000 primarily using cash from operations and proceeds from our revolving credit facility. Additionally, we did not borrow from the revolving credit facility during the first quarter of fiscal year 2022.

Other income increased by \$2,551 to \$10,674 for the first quarter of fiscal year 2022, compared to \$8,123 for the first quarter of fiscal year 2021. Other income increased for the first quarter of fiscal year 2022 compared to the same period of the prior fiscal year primarily due to increased earnings in our equity interest in the joint venture with GE.

Income taxes were provided at an effective rate on earnings before income taxes of 19.7% for the first quarter of fiscal year 2022 and 12.6% for the first quarter of fiscal year 2021.

The increase in the effective tax rate for the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily attributable to a reduction in the income tax benefit from stock-based compensation exercises and the net impact of increased projected full-year earnings.

Segment Results

The following table presents sales by segment:

	Three-Months Ended December 31,			
	2021		2020	
Net sales:				
Aerospace	\$	336,435	62.1%	\$ 321,667 59.8%
Industrial		205,151	37.9%	215,952 40.2%
Consolidated net sales	\$	541,586	100%	\$ 537,619 100%

The following table presents earnings by segment and reconciles segment earnings to consolidated net earnings:

	Three-Months Ended December 31,			
	2021		2020	
Aerospace	\$	51,083	\$	46,466
Industrial		23,693		32,888
Nonsegment expenses		(29,365)		(23,359)
Interest expense, net		(7,665)		(8,411)
Consolidated earnings before income taxes		37,746		47,584
Income tax expense		(7,441)		(6,014)
Consolidated net earnings	\$	30,305	\$	41,570

The following table presents segment earnings as a percent of segment net sales:

	Three-Months Ended December 31,			
	2021		2020	
Aerospace		15.2%		14.4%
Industrial		11.5%		15.2%

Aerospace

Aerospace segment net sales increased by \$14,768, or 4.6%, to \$336,435 for the first quarter of fiscal year 2022, compared to \$321,667 for the first quarter of fiscal year 2021. The increase in segment net sales in the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year is primarily a result of increased commercial OEM and aftermarket sales due to recovering global passenger traffic, increased aircraft production rates, increased fleet utilization, and the return to service of the Boeing 737 MAX aircraft in certain jurisdictions.

Defense OEM sales decreased in the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year, primarily driven by softening demand for guided weapons as well as lower fixed wing aircraft sales. Our defense aftermarket sales decreased in the first quarter of fiscal year 2022 as compared to the same periods of the prior fiscal year primarily due to COVID-19 related disruptions. However, we believe defense activity will continue to remain stable, with the exception of the softening demand for guided weapons.

During the first quarter of fiscal year 2022, Aerospace segment net sales were negatively impacted by approximately \$42,000 due to ongoing industry-wide COVID-19 related disruptions, including supply chain constraints and labor shortages, and some customer-initiated shipment delays.

Aerospace segment earnings increased by \$4,617, or 9.9%, to \$51,083 for the first quarter of fiscal year 2022, compared to \$46,466 for the first quarter of fiscal year 2021.

The increase in Aerospace segment earnings for the first quarter of fiscal year 2022 compared to the same period of the prior fiscal year was due to the following:

	Three-Month Period
Earnings for the period ended December 31, 2020	\$ 46,466
Sales volume	6,751
Price, sales mix and productivity	(4,309)
Other, net	2,175
Earnings for the period ended December 31, 2021	\$ 51,083

Aerospace segment earnings as a percentage of segment net sales were 15.2% for the first quarter of fiscal year 2022, compared to 14.4% for the first quarter of fiscal year 2021. The increase in Aerospace segment earnings in the first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year was primarily due to higher volume, predominantly driven by an increase in commercial OEM and aftermarket sales. This increase was partially offset by lower defense OEM sales, primarily due to lower sales of guided weapons, and lower defense aftermarket sales due primarily to COVID-19 related disruptions.

Industrial

Industrial segment net sales decreased by \$10,801, or 5.0%, to \$205,151 for the first quarter of fiscal year 2022, compared to \$215,952 for the first quarter of fiscal year 2021. Foreign currency exchange rates had an unfavorable impact on segment net sales of \$4,137 for the first quarter of fiscal year 2022 as compared the same period of the prior fiscal year.

The decrease in Industrial segment net sales in the first quarter of fiscal year 2022 was primarily due to lower sales of natural gas-powered engines in China and unfavorable foreign currency impacts, partially offset by higher marine sales in Europe.

During the first quarter of fiscal year 2022, Industrial segment net sales were negatively impacted by approximately \$28,000 due to ongoing industry-wide COVID-19 related disruptions, including supply chain constraints and labor shortages.

Industrial segment earnings decreased by \$9,195, or 28.0%, to \$23,693 for the first quarter of fiscal year 2022, compared to \$32,888 for the first quarter of fiscal year 2021.

The decrease in Industrial segment earnings for the first quarter of fiscal year 2022 compared to the same period of the prior fiscal year was due to the following:

	Three-Month Period
Earnings for the period ended December 31, 2020	\$ 32,888
Sales volume	(3,940)
Price, sales mix and productivity	(5,207)
Effects of changes in foreign currency rates	(259)
Other, net	211
Earnings for the period ended December 31, 2021	\$ 23,693

Industrial segment earnings as a percentage of segment net sales were 11.5% for the first quarter of fiscal year 2022, compared to 15.2% for the first quarter of fiscal year 2021. The decrease in Industrial segment earnings in first quarter of fiscal year 2022 as compared to the same period of the prior fiscal year was primarily due to lower sales volume and product mix, as well as net inflationary impacts.

Nonsegment

Nonsegment expenses increased by \$6,006 to \$29,365 for the first quarter of fiscal year 2022, compared to \$23,359 for the first quarter of fiscal year 2021. The increase in nonsegment expenses in the first quarter of fiscal year 2022 compared to the first quarter of fiscal year 2021 was primarily due to a non-recurring matter unrelated to the ongoing operations of the business and certain business development activities, each of which did not occur in the prior fiscal year quarter.

LIQUIDITY AND CAPITAL RESOURCES

Historically, we have satisfied our working capital needs, as well as capital expenditures, product development and other liquidity requirements associated with our operations, with cash flow provided by operating activities and borrowings under our credit facilities. From time to time, we have also issued debt to supplement our cash needs, repay our other indebtedness, or finance our acquisitions. We continue to expect that cash generated from our operating activities, together with borrowings under our revolving credit facility and other borrowing capacity, will be sufficient to fund our continuing operating needs for the foreseeable future.

In addition to our revolving credit facility, we have various foreign credit facilities, some of which are tied to net amounts on deposit at certain foreign financial institutions. These foreign credit facilities are reviewed annually for renewal. We use borrowings under these foreign credit facilities to finance certain local operations on a periodic basis. For further discussion of our revolving credit facility and our other credit facilities, see Note 14, *Credit facilities, short-term borrowings and long-term debt* in the Notes to the Condensed Consolidated Financial Statements included in Part I, Item I of this Form 10-Q.

At December 31, 2021, we had total outstanding debt of \$730,250 consisting of various series of unsecured notes due between 2023 and 2033 and obligations under our finance leases. At December 31, 2021, we had additional borrowing availability of \$989,131 under our revolving credit facility, net of outstanding letters of credit, and additional borrowing availability of \$7,336 under various foreign credit facilities. At December 31, 2021, we had no borrowings outstanding under our revolving credit facility. We also had no borrowings outstanding under our revolving credit facility during the first quarter of fiscal year 2022.

To our knowledge, we were in compliance with all our debt covenants as of December 31, 2021. Additionally, we do not believe the current known impacts of the COVID-19 pandemic will affect our ability to remain in compliance with our debt covenants. See Note 15, *Credit facilities, short-term borrowings and long-term debt* in the Notes to the Consolidated Financial Statements included in Part II, Item 8 of our most recently filed Form 10-K, for more information about our covenants.

In addition to utilizing our cash resources to fund the working capital needs of our business, we evaluate additional strategic uses of our funds, including the repurchase of our common stock, payment of dividends, significant capital expenditures, consideration of strategic acquisitions and other potential uses of cash.

Our ability to service our long-term debt, to remain in compliance with the various restrictions and covenants contained in our debt agreements, and to fund working capital, capital expenditures and product development efforts will depend on our ability to generate cash from operating activities, which in turn is subject to, among other things, future operating performance as well as general economic, financial, competitive, legislative, regulatory, and other conditions, some of which may be beyond our control. We do not believe the current known impacts of the COVID-19 pandemic will impact our ability to satisfy our long-term debt obligations.

In November 2019, the Woodward board of directors (the “Board”) authorized a program for the repurchase of up to \$500,000 of Woodward’s outstanding shares of common stock on the open market or in privately negotiated transactions over a three-year period that was scheduled to expire in 2022 (the “2019 Authorization”). During the three-months ended December 31, 2021, Woodward repurchased 233 shares of its common stock for \$26,742 under the 2019 Authorization. During the first three-months ended December 31, 2020, Woodward repurchased no shares of its common stock under the 2019 Authorization. In January 2022, the Board terminated the 2019 Authorization and concurrently authorized a program for the repurchase of up to \$800,000 of Woodward’s outstanding shares of common stock on the open market or in privately negotiated transactions over a two-year period that will end in 2024 (the “2022 Authorization”).

We believe that cash flows from operations, along with our contractually committed borrowings and other borrowing capability, will continue to be sufficient to fund anticipated capital spending requirements and our operations for the foreseeable future. However, we could be adversely affected if the financial institutions providing our capital requirements refuse to honor their contractual commitments, cease lending, or declare bankruptcy. We believe the lending institutions participating in our credit arrangements are financially stable and do not currently foresee adverse impacts to financial institutions supporting our capital requirements as a result of the COVID-19 pandemic or otherwise.

Cash Flows

	Three-Months Ended December 31,	
	2021	2020
Net cash provided by operating activities	\$ 39,290	\$ 146,725
Net cash (used in) investing activities	(13,115)	(9,955)
Net cash (used in) financing activities	(46,688)	(94,642)
Effect of exchange rate changes on cash and cash equivalents	(967)	6,483
Net change in cash and cash equivalents	(21,480)	48,611
Cash and cash equivalents, including restricted cash, at beginning of year	448,462	153,270
Cash and cash equivalents, including restricted cash, at end of period	\$ 426,982	\$ 201,881

Net cash flows provided by operating activities for the first quarter of fiscal year 2022 was \$39,290, compared to \$146,725 for the same period of fiscal year 2021. The decrease in net cash provided by operating activities in the first quarter of fiscal year 2022 as compared to the first quarter of the prior fiscal year is primarily attributable to working capital increases to support this fiscal year's anticipated growth, and the timing of cash payments to suppliers.

Net cash flows used in investing activities for the first quarter of fiscal year 2022 was \$13,115, compared to \$9,955 for the same period of fiscal year 2021. The increase in cash flows used in investing activities in the first quarter of fiscal year 2022 as compared to the first quarter of the prior fiscal year is primarily due to increased payments for property, plant and equipment.

Net cash flows used in financing activities for the first quarter of fiscal year 2022 was \$46,688, compared to \$94,642 for the same period of fiscal year 2021. The decrease in net cash flows used in financing activities in the first quarter of fiscal year 2022 as compared to the first quarter of the prior fiscal year is primarily attributable to the change in net debt payments and repurchases of common stock. During the first quarter of fiscal year 2022, we had net debt payments in the amount of \$381, compared to net debt payments in the amount of \$100,395 in the first quarter of fiscal year 2021. During the first quarter of fiscal year 2022, we had \$39,258 of cash repurchases of common stock, while there were no such repurchases in the first quarter of fiscal year 2021.

Non-U.S. GAAP Financial Measures

Adjusted net earnings, adjusted earnings per share, adjusted effective tax rate, EBIT, adjusted EBIT, EBITDA, adjusted EBITDA, free cash flow, and adjusted free cash flow are financial measures not prepared and presented in accordance with U.S. GAAP. However, we believe these non-U.S. GAAP financial measures provide additional information that enables readers to evaluate our business from the perspective of management.

Earnings based non-U.S. GAAP financial measures

Adjusted net earnings is defined by the Company as net earnings excluding, as applicable, (i) a charge in connection with a non-recurring matter unrelated to the ongoing operations of the business and (ii) costs related to business development activities. The Company believes that these excluded items are short-term in nature, not directly related to the ongoing operations of the business and therefore, the exclusion of them illustrates more clearly how the underlying business of Woodward is performing. Management uses adjusted net earnings to evaluate the Company's performance excluding these infrequent or unusual period expenses that are not necessarily indicative of the Company's operating performance for the period. Management defines adjusted earnings per share as adjusted net earnings, as defined above, divided by the weighted-average number of diluted shares of common stock outstanding for the period. Management uses both adjusted net earnings and adjusted earnings per share when comparing operating performance to other periods which may not have similar, infrequent or unusual charges.

The reconciliation of net earnings and earnings per share to adjusted net earnings and adjusted earnings per share, respectively, is shown in the tables below:

	Three-Months Ended December 31,			
	2021		2020	
	Net Earnings	Earnings Per Share	Net Earnings	Earnings Per Share
Net earnings (U.S. GAAP)	\$ 30,305	\$ 0.47	\$ 41,570	\$ 0.64
Non-U.S. GAAP adjustments:				
Non-recurring matter unrelated to the ongoing operations of the business, net of tax	3,750	0.06	—	—
Business development activities, net of tax	2,236	0.03	—	—
Non-U.S. GAAP adjustments	5,986	0.09	—	—
Adjusted net earnings (Non-U.S. GAAP)	<u>\$ 36,291</u>	<u>\$ 0.56</u>	<u>\$ 41,570</u>	<u>\$ 0.64</u>

Management uses EBIT to evaluate Woodward's performance without financing and tax related considerations, as these elements do not fluctuate with operating results. Management uses EBITDA in evaluating Woodward's operating performance, making business decisions, including developing budgets, managing expenditures, forecasting future periods, and evaluating capital structure impacts of various strategic scenarios. Securities analysts, investors and others frequently use EBIT and EBITDA in their evaluation of companies, particularly those with significant property, plant, and equipment, and intangible assets subject to amortization. The Company believes that EBIT and EBITDA are useful measures to the investor when measuring operating performance as they eliminate the impact of financing and tax expenses, which are non-operating expenses and may be driven by factors outside of the Company's operations, such as changes in tax laws or regulations, and, in the case of EBITDA, the noncash charges associated with depreciation and amortization. Further, as interest from financing, income taxes, depreciation and amortization can vary dramatically between companies and between periods, management believes that the removal of these items can improve comparability.

Adjusted EBIT and adjusted EBITDA represent further non-U.S. GAAP adjustments to EBIT and EBITDA, in each case adjusted to exclude, as applicable (i) a charge in connection with a non-recurring matter unrelated to the ongoing operations of the business and (ii) costs related to business development activities. As these charges are infrequent or unusual items that can be variable from period to period and do not fluctuate with operating results, management believes that by removing these gains and charges from EBIT and EBITDA it improves comparability of past, present and future operating results and provides consistency when comparing EBIT and EBITDA between periods.

EBIT and adjusted EBIT reconciled to net earnings were as follows:

	Three-Months Ended December 31,	
	2021	2020
Net earnings (U.S. GAAP)	\$ 30,305	\$ 41,570
Income tax expense	7,441	6,014
Interest expense	8,306	8,906
Interest income	(641)	(495)
EBIT (Non-U.S. GAAP)	<u>\$ 45,411</u>	<u>\$ 55,995</u>
Non-U.S. GAAP adjustments:		
Non-recurring matter unrelated to the ongoing operations of the business	5,000	—
Business development activities	2,982	—
Total non-U.S. GAAP adjustments	7,982	—
Adjusted EBIT (Non-U.S. GAAP)	<u>\$ 53,393</u>	<u>\$ 55,995</u>

EBITDA and adjusted EBITDA reconciled to net earnings were as follows:

	Three-Months Ended December 31,	
	2021	2020
Net earnings (U.S. GAAP)	\$ 30,305	\$ 41,570
Income tax expense	7,441	6,014
Interest expense	8,306	8,906
Interest income	(641)	(495)
Amortization of intangible assets	9,688	10,469
Depreciation expense	21,033	22,608
EBITDA (Non-U.S. GAAP)	76,132	89,072
Non-U.S. GAAP adjustments:		
Non-recurring matter unrelated to the ongoing operations of the business	5,000	—
Business development activities	2,982	—
Total non-U.S. GAAP adjustments	7,982	—
Adjusted EBITDA (Non-U.S. GAAP)	\$ 84,114	\$ 89,072

The use of these non-U.S. GAAP financial measures is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with U.S. GAAP. As adjusted net earnings, adjusted net earnings per share, adjusted effective tax rate, EBIT, adjusted EBIT, EBITDA, and adjusted EBITDA exclude certain financial information compared with net earnings, the most comparable U.S. GAAP financial measure, users of this financial information should consider the information that is excluded. Our calculations of adjusted net earnings, adjusted net earnings per share, adjusted effective tax rate, EBIT, adjusted EBIT, EBITDA, and adjusted EBITDA may differ from similarly titled measures used by other companies, limiting their usefulness as comparative measures.

Cash flow-based non-U.S. GAAP financial measures

Management uses free cash flow, which is defined by the Company as net cash flows provided by operating activities less payments for property, plant and equipment, in reviewing the financial performance of and cash generation by Woodward's various business groups and evaluating cash levels. We believe free cash flow is a useful measure for investors because it portrays our ability to grow organically and generate cash from our businesses for purposes such as paying interest on our indebtedness, repaying maturing debt, funding business acquisitions, investing in research and development, purchasing our common stock, and paying dividends. In addition, securities analysts, investors, and others frequently use free cash flow in their evaluation of companies. The use of this non-U.S. GAAP financial measure is not intended to be considered in isolation of, or as substitutes for, the financial information prepared and presented in accordance with U.S. GAAP. Free cash flow does not necessarily represent funds available for discretionary use and is not necessarily a measure of our ability to fund our cash needs. Our calculation of free cash flow may differ from similarly titled measures used by other companies, limiting its usefulness as a comparative measure. Adjusted free cash flow represents a further non-U.S. GAAP adjustment to free cash flow to exclude the effect of cash paid for business development activities and cash paid for restructuring activities. Management believes that by excluding these infrequent or unusual items from free cash flow it better portrays our ability to generate cash, as such items are not indicative of the Company's operating performance for the period.

Free cash flow and adjusted free cash flow reconciled to net cash provided by operating activities were as follows:

	Three-Months Ended December 31,	
	2021	2020
Net cash provided by operating activities (U.S. GAAP)	\$ 39,290	\$ 146,725
Payments for property, plant and equipment	(13,123)	(7,263)
Free cash flow (Non-U.S. GAAP)	\$ 26,167	\$ 139,462
Cash paid for business development activities	770	—
Cash paid for restructuring charges	505	—
Adjusted free cash flow (Non-U.S. GAAP)	\$ 27,442	\$ 139,462

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires us to make judgments, assumptions and estimates that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying notes. Note 1, *Operations and summary of significant accounting policies* in the Notes to the Consolidated Financial Statements included in Part II, Item 8 of our most recently filed Form 10-K, describes the significant accounting policies and methods used in the preparation of the Consolidated Financial Statements. Our critical accounting estimates, identified in Management's Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 of our most recently filed Form 10-K, include the discussion of estimates used for revenue recognition, inventory valuation, reviews for impairment of goodwill and other indefinitely lived intangible assets, and our provision for income taxes. Such accounting policies and estimates require significant judgments and assumptions to be used in the preparation of the Condensed Consolidated Financial Statements included in this Form 10-Q, and actual results could differ materially from the amounts reported.

New Accounting Standards

From time to time, the FASB or other standards-setting bodies issue new accounting pronouncements. Updates to the FASB Accounting Standards Codification are communicated through issuance of an Accounting Standards Update.

To understand the impact of recently issued guidance, whether adopted or to be adopted, please review the information provided in Note 2, *New accounting standards* in the Notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q. Unless otherwise discussed, we believe that the impact of recently issued guidance, whether adopted or to be adopted in the future, is not expected to have a material impact on our Condensed Consolidated Financial Statements upon adoption.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, we have exposures to interest rate risk from our long-term and short-term debt and our postretirement benefit plans, and foreign currency exchange rate risk related to our foreign operations and foreign currency transactions. We are also exposed to various market risks that arise from transactions entered into in the normal course of business related to items such as the cost of raw materials and changes in inflation. Certain contractual relationships with customers and vendors mitigate risks from changes in raw material costs and foreign currency exchange rate changes that arise from normal purchasing and normal sales activities.

These market risks are discussed more fully in "Quantitative and Qualitative Disclosures About Market Risk" in Part II, Item 7A of our most recent Form 10-K. These market risks have not materially changed since the date our most recent Form 10-K was filed with the SEC.

Item 4. Controls and Procedures

We have established disclosure controls and procedures, which are designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934, as amended (the "Act") is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Act is accumulated and communicated to management, including our Principal Executive Officer (Thomas A. Gendron, Chairman of the Board, Chief Executive Officer and President) and Principal Financial and Accounting Officer (Mark D. Hartman, Chief Financial Officer), as appropriate, to allow timely decisions regarding required disclosures.

Thomas A. Gendron and Mark D. Hartman, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15 under the Securities Exchange Act of 1934, as amended, or the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on their evaluations, they concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2021.

There have not been any changes in our internal controls over financial reporting during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Woodward is currently involved in claims, pending or threatened litigation or other legal proceedings, investigations and/or regulatory proceedings arising in the normal course of business, including, among others, those relating to product liability claims, employment matters, worker's compensation claims, contractual disputes, product warranty claims and alleged violations of various laws and regulations. Woodward accrues for known individual matters using estimates of the most likely amount of loss where it believes that it is probable the matter will result in a loss when ultimately resolved and such loss is reasonably estimable.

While the outcome of pending claims, legal and regulatory proceedings, and investigations cannot be predicted with certainty, management believes that any liabilities that may result from these claims, proceedings and investigations will not have a material effect on Woodward's liquidity, financial condition, or results of operations.

Item 1A. Risk Factors

Investment in our securities involves risk. An investor or potential investor should consider the risks summarized under the caption "Risk Factors:" in Part I, Item 1A of our most recent Form 10-K when making investment decisions regarding our securities. The risk factors that were disclosed in our most recent Form 10-K have not materially changed since the date our most recent Form 10-K was filed with the SEC.

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

Sales of Unregistered Securities

None.

	Total Number of Shares Purchased	Weighted Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased under the Plans or Programs at Period End (1)
Issuer Purchases of Equity Securities				
<i>(In thousands, except for shares and per share amounts)</i>				
October 1, 2021 through October 31, 2021 (2)	233,204	\$ 114.69	233,178	\$ 414,052
November 1, 2021 through November 30, 2021 (2)	402	105.80	—	414,052
December 1, 2021 through December 31, 2021 (2)	40	109.46	—	414,052

- (1) In November 2019, the Board authorized a stock repurchase program for the repurchase of up to \$500,000 of Woodward's outstanding shares of common stock on the open market or in privately negotiated transactions over a three-year period that was scheduled to expire in 2022 (the "2019 Authorization"). In January 2022, the Board terminated the 2019 Authorization and concurrently authorized a program for the repurchase of up to \$800,000 of Woodward's outstanding shares of common stock on the open market or in privately negotiated transactions over a two-year period that will end in January 2024 (the "2022 Authorization").
- (2) Under a trust established for the purposes of administering the Woodward Executive Benefit Plan, 26 shares of common stock were acquired in October 2021, 117 shares of common stock were acquired in November 2021, and 40 shares of common stock were acquired in December 2021 on the open market related to the deferral of compensation by certain eligible members of Woodward's management who irrevocably elected to invest some or all of their deferred compensation in Woodward common stock. In addition, 285 shares of common stock were acquired in November 2021 on the open market related to the reinvestment of dividends for shares of treasury stock held for deferred compensation. Shares owned by the trust, which is a separate legal entity, are included in "Treasury stock held for deferred compensation" in the Condensed Consolidated Balance Sheets.

Item 6. Exhibits

Exhibits filed as part of this Report are listed in the Exhibit Index.

WOODWARD, INC.**EXHIBIT INDEX**

<u>Exhibit</u>	<u>Number</u>	<u>Description</u>
*	10.1	Amendment No. 2 to the Amended and Restated Credit Agreement dated November 24, 2021
*	31.1	Rule 13a-14(a)/15d-14(a) certification of Thomas A. Gendron
*	31.2	Rule 13a-14(a)/15d-14(a) certification of Mark D. Hartman
*	32.1	Section 1350 certifications
*	101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2021, formatted in Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Earnings, (iii) Condensed Consolidated Statements of Comprehensive Earnings, (iv) Condensed Consolidated Statements of Cash Flows, (v) Condensed Consolidated Statements of Stockholders' Equity, and (vi) Notes to Condensed Consolidated Financial Statements.
*	104	Cover page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
* Filed as an exhibit to this Report		

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.

WOODWARD, INC.

Date: February 4, 2022

/s/ Thomas A. Gendron

Thomas A. Gendron

*Chairman of the Board, Chief Executive Officer, and President
(on behalf of the registrant and as the registrant's Principal Executive Officer)*

/s/ Mark D. Hartman

Date: February 4, 2022

Mark D. Hartman

Chief Financial Officer

(on behalf of the registrant and as the registrant's Principal Financial and Accounting Officer)

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 19, 2019,
and amended as of October 18, 2019, and November 24, 2021

among

WOODWARD, INC.,
as the Company

THE FOREIGN SUBSIDIARY BORROWERS FROM TIME TO TIME PARTIES HERETO

THE INSTITUTIONS FROM TIME TO TIME PARTIES HERETO AS LENDERS

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Administrative Agent

JPMORGAN CHASE BANK, N.A. and
U.S. BANK NATIONAL ASSOCIATION
as Co-Syndication Agents

BANK OF AMERICA, N.A.,
MUFG BANK, LTD., and
TRUIST BANK
as Co-Documentation Agents

WELLS FARGO SECURITIES, LLC,
JPMORGAN CHASE BANK, N.A. and
U.S. BANK NATIONAL ASSOCIATION
as Joint Lead Arrangers and Book Runners

TABLE OF CONTENTS

Section

ARTICLE I: DEFINITIONS

- 1.1 [Certain Defined Terms](#)
- 1.2 [References](#)
- 1.3 [Construction](#)
- 1.4 [Divisions](#)
- 1.5 [Rates](#)

ARTICLE II: REVOLVING LOAN FACILITIES

- 2.1 [Revolving Loans.](#)
- 2.2 [Swing Line Loans.](#)
- 2.3 [Rate Options for all Advances; Maximum Interest Periods](#)
- 2.4 [Optional Payments; Mandatory Prepayments.](#)
- 2.5 [Reduction of Commitments](#)
- 2.6 [Method of Borrowing](#)
- 2.7 [Method of Selecting Types, Currency and Interest Periods for Advances](#)
- 2.8 [Minimum Amount of Each Advance](#)
- 2.9 [Method of Selecting Types, Currency and Interest Periods for Conversion and Continuation of Advances.](#)
- 2.10 [Default Rate](#)
- 2.11 [Method of Payment](#)
- 2.12 [Evidence of Debt.](#)
- 2.13 [Telephonic Notices](#)
- 2.14 [Promise to Pay; Interest and Unused Fees; Interest Payment Dates; Interest and Fee Basis; Taxes.](#)
- 2.15 [Notification of Advances, Interest Rates, Prepayments and Aggregate Revolving Loan Commitment Reductions](#)
- 2.16 [Lending Installations](#)
- 2.17 [Non-Receipt of Funds by the Administrative Agent](#)
- 2.18 [Termination Date](#)
- 2.19 [Replacement of Certain Lenders](#)
- 2.20 [Judgment Currency](#)
- 2.21 [Denomination of Amounts in Dollars; Dollar Equivalent of Reimbursement Obligations.](#)
- 2.22 [Increase of Aggregate Revolving Loan Commitment; Incremental Term Loans](#)
- 2.23 [Subsidiary Borrowers and Foreign Subsidiary Borrowers](#)
- 2.24 [Defaulting Lenders.](#)

ARTICLE III: THE LETTER OF CREDIT FACILITY

- 3.1 [Obligation to Issue Letters of Credit](#)
- 3.2 [Transitional Letters of Credit](#)

- 3.3 [Types and Amounts](#)
- 3.4 [Conditions](#)
- 3.5 [Procedure for Issuance of Letters of Credit](#)
- 3.6 [Letter of Credit Participation](#)
- 3.7 [Reimbursement Obligation](#)
- 3.8 [Letter of Credit Fees](#)
- 3.9 [Issuing Bank Reporting Requirements](#)
- 3.10 [Indemnification; Exoneration](#)
- 3.11 [Cash Collateral](#)

[ARTICLE IV: CHANGE IN CIRCUMSTANCES](#)

- 4.1 [Yield Protection](#)
- 4.2 [Changes in Capital Adequacy Regulations](#)
- 4.3 [Changed Circumstances](#)
- 4.4 [Funding Indemnification](#)
- 4.5 [Lender Statements; Survival of Indemnity](#)

[ARTICLE V: CONDITIONS PRECEDENT](#)

- 5.1 [Initial Advances and Letters of Credit](#)
- 5.2 [Each Advance and Letter of Credit](#)
- 5.3 [Designation of a Foreign Subsidiary Borrower](#)

[ARTICLE VI: REPRESENTATIONS AND WARRANTIES](#)

- 6.1 [Organization; Corporate Powers](#)
- 6.2 [Authority; Enforceability](#)
- 6.3 [No Conflict; Governmental Consents](#)
- 6.4 [Financial Statements](#)
- 6.5 [No Material Adverse Change](#)
- 6.6 [Taxes](#)
- 6.7 [Litigation; Loss Contingencies and Violations](#)
- 6.8 [Subsidiaries](#)
- 6.9 [ERISA](#)
- 6.10 [Accuracy of Information](#)
- 6.11 [Securities Activities](#)
- 6.12 [Material Agreements](#)
- 6.13 [Compliance with Laws](#)
- 6.14 [Assets and Properties](#)
- 6.15 [Statutory Indebtedness Restrictions](#)
- 6.16 [Labor Matters](#)
- 6.17 [Environmental Matters](#)
- 6.18 [Insurance](#)
- 6.19 [Solvency](#)
- 6.20 [Anti-Corruption Laws and Sanctions](#)

[ARTICLE VII: COVENANTS](#)

- 7.1 [Reporting](#)

- 7.2 [Affirmative Covenants.](#)
- 7.3 [Negative Covenants.](#)
- 7.4 [Financial Covenants](#)

[ARTICLE VIII: DEFAULTS](#)

- 8.1 [Defaults](#)

[ARTICLE IX: ACCELERATION, DEFAULTING LENDERS; WAIVERS, AMENDMENTS AND REMEDIES](#)

- 9.1 [Termination of Revolving Loan Commitments; Acceleration](#)
- 9.2 [Preservation of Rights](#)
- 9.3 [Amendments](#)

[ARTICLE X: GENERAL PROVISIONS](#)

- 10.1 [Survival of Representations](#)
- 10.2 [Governmental Regulation](#)
- 10.3 [Intentionally Omitted.](#)
- 10.4 [Headings](#)
- 10.5 [Entire Agreement](#)
- 10.6 [Several Obligations; Benefits of this Agreement](#)
- 10.7 [Expenses; Indemnification.](#)
- 10.8 [Numbers of Documents](#)
- 10.9 [Confidentiality](#)
- 10.10 [Severability of Provisions](#)
- 10.11 [Nonliability of Lenders](#)
- 10.12 [GOVERNING LAW](#)
- 10.13 [CONSENT TO JURISDICTION; SERVICE OF PROCESS; JURY TRIAL.](#)
- 10.14 [Subordination of Intercompany Indebtedness](#)
- 10.15 [USA PATRIOT Act](#)
- 10.16 [No Duties Imposed on Co-Syndication Agents, Co-Documentation Agents or Arrangers](#)
- 10.17 [Accounting](#)
- 10.18 [Acknowledgment Regarding Any Supported OFCs](#)
- 10.19 [Acknowledgement and Consent to Bail-In of Affected Financial Institutions](#)
- 10.20 [Certain ERISA Matters](#)

[ARTICLE XI: THE ADMINISTRATIVE AGENT](#)

- 11.1 [Appointment; Nature of Relationship](#)
- 11.2 [Powers](#)
- 11.3 [General Immunity](#)
- 11.4 [No Responsibility for Loans, Creditworthiness, Recitals, Etc](#)
- 11.5 [Action on Instructions of Lenders](#)
- 11.6 [Employment of Administrative Agent and Counsel](#)
- 11.7 [Reliance on Documents; Counsel](#)

- 11.8 [The Administrative Agent's Reimbursement and Indemnification](#)
- 11.9 [Rights as a Lender](#)
- 11.10 [Lender Credit Decision](#)
- 11.11 [Successor Administrative Agent](#)
- 11.12 [No Duties Imposed Upon Arrangers or Agents](#)
- 11.13 [Notice of Default](#)
- 11.14 [Delegation to Affiliates](#)
- 11.15 [Intercreditor Agreement and Subsidiary Guaranties](#)
- 11.16 [Erroneous Payments.](#)

[ARTICLE XII: SETOFF; RATABLE PAYMENTS](#)

- 12.1 [Setoff](#)
- 12.2 [Ratable Payments; Failure to Fund](#)
- 12.3 [Application of Payments](#)
- 12.4 [Relations Among Lenders.](#)

[ARTICLE XIII: BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS](#)

- 13.1 [Successors and Assigns; Designated Lenders.](#)
- 13.2 [Participations.](#)
- 13.3 [Assignments.](#)
- 13.4 [Dissemination of Information](#)
- 13.5 [Tax Certifications](#)

[ARTICLE XIV: NOTICES](#)

- 14.1 [Giving Notice](#)
- 14.2 [Change of Address](#)

[ARTICLE XV: COUNTERPARTS; ELECTRONIC EXECUTION](#)

[ARTICLE XVI: CROSS GUARANTEE](#)

- 16.1 [Guarantee.](#)
- 16.2 [Limitation on Enforcement](#)

[ARTICLE XVII: AMENDMENT AND RESTATEMENT](#)

EXHIBITS AND SCHEDULES**Exhibits**

EXHIBIT A	--	Revolving Loan Commitments (Definitions)
EXHIBIT A-1	--	Eurocurrency/RFR Payment Offices (Definitions)
EXHIBIT B	--	Form of Borrowing/Election Notice (Section 2.2, Section 2.7 and Section 2.9)
EXHIBIT C	--	Form of Request for Letter of Credit (Section 3.4)
EXHIBIT D	--	Form of Assignment Agreement (Definitions and Section 13.3)
EXHIBIT E	--	Form of Borrower's Counsel's Opinion (Section 5.1)
EXHIBIT F	--	List of Closing Documents (Section 5.1)
EXHIBIT G	--	Form of Officer's Certificate (Sections 5.2 and 7.1(A)(iii))
EXHIBIT H	--	Form of Compliance Certificate (Sections 5.2 and 7.1(A)(iii))
EXHIBIT I-1	--	Domestic Subsidiary Guaranty (Definitions)
EXHIBIT I-2	--	Form of Foreign Subsidiary Guaranty (Definitions)
EXHIBIT J	--	Form of Revolving Loan Note (If Requested) (Section 2.12(D))
EXHIBIT K	--	Intercreditor Agreement (Definitions)
EXHIBIT L	--	Form of Designation Agreement (Section 13.1(B))
EXHIBIT M-1	--	Form of Increasing Lender Supplement (Section 2.22)
EXHIBIT M-2	--	Form of Augmenting Lender Supplement (Section 2.22)
EXHIBIT N-1	--	Form of Borrowing Subsidiary Agreement (Section 2.23)
EXHIBIT N-2	--	Form of Borrowing Subsidiary Termination (Section 2.23)

Schedules

Schedule 1.1.1	--	Permitted Existing Indebtedness (Definitions)
Schedule 1.1.2	--	Permitted Existing Investments (Definitions)
Schedule 1.1.3	--	Permitted Existing Liens (Definitions)
Schedule 1.1.4	--	Permitted Existing Contingent Obligations (Definitions)
Schedule 1.1.5	--	Agreed Jurisdictions (Definitions)
Schedule 3.2	--	Transitional Letters of Credit (Section 3.2)
Schedule 6.3	--	Conflicts; Governmental Consents (Section 6.3)
Schedule 6.8	--	Subsidiaries, Significant Domestic Incorporated Subsidiaries and Significant Foreign Subsidiaries; Options and Warrants (Section 6.8)
Schedule 6.9	--	ERISA (Section 6.9)
Schedule 6.17	--	Environmental Matters (Section 6.17)

AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDED AND RESTATED CREDIT AGREEMENT, dated as of June 19, 2019, is entered into by and among Woodward, Inc., a Delaware corporation, as a Borrower, each of Woodward Aken GmbH, a limited liability company under the laws of the Federal Republic of Germany and Woodward Kempen GmbH, a limited liability company under the laws of the Federal Republic of Germany, each as a Foreign Subsidiary Borrower, the other Foreign Subsidiary Borrowers from time to time parties hereto, the institutions from time to time parties hereto as Lenders, whether by execution of this Agreement or an Assignment Agreement pursuant to Section 13.3, and Wells Fargo Bank, National Association, as Administrative Agent for itself and the other Lenders.

In consideration of the mutual covenants herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I: DEFINITIONS

1.1 Certain Defined Terms

The following terms used in this Agreement shall have the following meanings, applicable both to the singular and the plural forms of the terms defined.

As used in this Agreement:

“**2013 Note Agreement**” means that certain Note Purchase Agreement, dated as of October 1, 2013, by and among the Company, as the issuer of the 2013 Senior Notes, and the 2013 Senior Noteholders, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**2013 Senior Noteholder**” means a Person holding a 2013 Senior Note.

“**2013 Senior Notes**” means, collectively, (i) the Series G Senior Notes due November 15, 2020 in an aggregate principal amount of \$50,000,000, (ii) the Series H Senior Notes due November 15, 2023 in an aggregate principal amount of \$25,000,000, (iii) the Series I Senior Notes due November 15, 2025 in an aggregate principal amount of \$25,000,000, (iv) the Series J Senior Notes due November 15, 2020 in an aggregate principal amount of \$50,000,000, (v) the Series K Senior Notes due November 15, 2023 in an aggregate principal amount of \$50,000,000 and (vi) the Series L Senior Notes due November 15, 2025 in an aggregate principal amount of \$50,000,000, in each case as the same may be amended, restated, supplemented or otherwise modified from time to time, issued by the Company pursuant to the 2013 Note Agreement.

“**2016 Note Agreement**” means that certain Note Purchase Agreement, dated as of September 23, 2016, by and among the Company, as the issuer of the 2016 Senior Notes, and the 2016 Senior Noteholders, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**2016 Senior Noteholder**” means a Person holding a 2016 Senior Note.

“2016 Senior Notes” means the Series M Senior Notes due September 23, 2026 in an aggregate principal amount of €40,000,000, as the same may be amended, restated, supplemented or otherwise modified from time to time, issued by the Company pursuant to the 2016 Note Agreement.

“2018 Note Agreement” means that certain Note Purchase Agreement, dated as of May 31, 2018, by and among the Company, as the issuer of the 2018 Senior Notes, and the 2018 Senior Noteholders, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“2018 Senior Noteholder” means a Person holding a 2018 Senior Note.

“2018 Senior Notes” means, collectively, (i) the Series P Senior Notes due May 30, 2025 in an aggregate principal amount of \$85,000,000, (ii) the Series Q Senior Notes due May 30, 2027 in an aggregate principal amount of \$85,000,000, (iii) the Series R Senior Notes due May 30, 2029 in an aggregate principal amount of \$75,000,000, (iv) the Series S Senior Notes due May 30, 2030 in an aggregate principal amount of \$75,000,000 and (v) the Series T Senior Notes due May 30, 2033 in an aggregate principal amount of \$80,000,000, in each case as the same may be amended, restated, supplemented or otherwise modified from time to time, issued by the Company pursuant to the 2018 Note Agreement.

“Accounting Changes” is defined in Section 10.17 hereof.

“Acquisition” means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which the Company or any of its Subsidiaries (other than transactions involving solely the Company and its Subsidiaries) (i) acquires all or substantially all of the assets of any firm, corporation or division thereof, whether through purchase of assets, merger or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage of voting power) of the outstanding Equity Interests of another Person.

“Adjusted Daily Simple RFR” means, for any RFR Rate Day, a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to:

(a) Dollars, on and after the USD LIBOR Transition Date, the greater of (i) the sum of (A) SOFR for the day (such day, a **“Dollar RFR Determination Day”**) that is five (5) RFR Business Days prior to (I) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (II) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website; provided that if by 5:00 p.m. (New York time) on the second (2nd) RFR Business Day immediately following any Dollar RFR Determination Day, SOFR in respect of such Dollar RFR Determination Day has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to SOFR has not occurred, then SOFR for such Dollar RFR Determination Day will be SOFR as

published in respect of the first preceding RFR Business Day for which such SOFR was published on the SOFR Administrator's Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Adjusted Daily Simple RFR for no more than three (3) consecutive RFR Rate Days and (B) the SOFR Adjustment and (ii) the Floor; and

(b) British Pounds Sterling, the greater of (i) the sum of (A) SONIA for the day (such day, a "**Sterling RFR Determination Day**") that is five (5) RFR Business Days prior to (I) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (II) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator's Website; provided that if by 5:00 p.m. (London time) on the second (2nd) RFR Business Day immediately following any Sterling RFR Determination Day, SONIA in respect of such Sterling RFR Determination Day has not been published on the SONIA Administrator's Website and a Benchmark Replacement Date with respect to SONIA has not occurred, then SONIA for such Sterling RFR Determination Day will be SONIA as published in respect of the first preceding RFR Business Day for which such SONIA was published on the SONIA Administrator's Website; provided further that SONIA as determined pursuant to this proviso shall be utilized for purposes of calculation of Adjusted Daily Simple RFR for no more than three (3) consecutive RFR Rate Days and (B) the SONIA Adjustment and (ii) the Floor.

Any change in Adjusted Daily Simple RFR due to a change in the applicable RFR shall be effective from and including the effective date of such change in the RFR without notice to the Borrowers.

"**Adjusted Daily Simple RFR Rate**" means, for any day for any Daily Simple RFR Loan or Advance, a rate per annum equal to the Adjusted Daily Simple RFR for such day plus the Applicable Eurocurrency/RFR Margin then in effect.

"**Adjusted Eurocurrency Rate**" means, as to any Loan denominated in any applicable Agreed Currency not bearing interest based on an RFR (which, as of the date hereof, shall mean Dollars, euro and Japanese Yen) for any Interest Period, a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{Adjusted Eurocurrency Rate} = \frac{\text{Eurocurrency Base Rate for such Agreed Currency for such Interest Period}}{1.00 - \text{Eurocurrency Reserve Percentage}}$$

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

"**Administrative Agent**" means Wells Fargo, including its Affiliates and Subsidiaries, in its capacity as contractual representative for itself and the Lenders pursuant to Article XI hereof and any successor Administrative Agent appointed pursuant to and in accordance with Article XI hereof.

“**Advance**” means a borrowing hereunder consisting of the aggregate amount of the several Loans made by the Lenders to any Borrower of the same Type and in the same currency and, in the case of Eurocurrency Rate Advances or Term RFR Advances, for the same Interest Period.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affected Lender**” is defined in Section 2.19 hereof.

“**Affiliate**” of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person is the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of greater than or equal to twenty percent (20%) or more of any class of voting securities (or other voting interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of Capital Stock, by contract or otherwise.

“**Aggregate Revolving Loan Commitment**” means the aggregate of the Revolving Loan Commitments of all the Lenders, as may be increased or reduced from time to time pursuant to the terms hereof. The initial Aggregate Revolving Loan Commitment as of the Closing Date is One Billion and 00/100 Dollars (\$1,000,000,000.00).

“**Agreed Currencies**” means (i) Dollars, and (ii) so long as such currency remains an Eligible Currency, British Pounds Sterling, Japanese Yen and euro.

“**Agreed Jurisdictions**” means those jurisdictions set forth on Schedule 1.1.5 hereto, or otherwise approved by the Administrative Agent and 100% of the Lenders as jurisdictions in which Foreign Subsidiary Borrowers may be organized.

“**Agreement**” means this Amended and Restated Credit Agreement, as it may be amended, restated or otherwise modified and in effect from time to time.

“**Agreement Accounting Principles**” means generally accepted accounting principles as in effect from time to time in the United States of America.

“**Alternate Base Rate**” means, for any day, a rate of interest per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus one-half of one percent (0.5%) per annum and (c) (i) prior to the USD LIBOR Transition Date, the Adjusted Eurocurrency Rate for Dollars for a one-month tenor in effect on such day plus 1.00% and (ii) on and after the USD LIBOR Transition Date, the sum of (A) either (1) Adjusted Term SOFR (if a Benchmark Replacement is determined in accordance with clause (b)(1) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date) for a one-month tenor in effect on such day or (2) Adjusted Daily Simple RFR for Dollars (if a Benchmark Replacement is determined in accordance with clause (b)(2) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date) in effect on such day plus (B) 1.00%; each change in the Alternate Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Effective Rate, the Adjusted

Eurocurrency Rate for Dollars, Adjusted Term SOFR or Adjusted Daily Simple RFR for Dollars, as the case may be (provided that clause (c) shall not be applicable during any period in which the Adjusted Eurocurrency Rate, Adjusted Term SOFR or Adjusted Daily Simple RFR, as applicable, is unavailable or unascertainable). For the avoidance of doubt, if the Alternate Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Alternative Currencies” means, collectively, all Agreed Currencies other than Dollars.

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

“Applicable Eurocurrency/RFR Margin” means, as at any date of determination, the rate per annum then applicable to Eurocurrency Rate Loans and RFR Loans determined in accordance with the provisions of Section 2.14(D)(ii) hereof.

“Applicable Floating Rate Margin” means, as of any date of determination, the rate per annum then applicable to Floating Rate Loans determined in accordance with the provisions of Section 2.14(D)(ii) hereof.

“Applicable L/C Fee Percentage” means, as at any date of determination, a rate per annum used to calculate Letter of Credit fees equal to the Applicable Eurocurrency/RFR Margin then in effect.

“Applicable Unused Fee Percentage” means, as at any date of determination, the rate per annum then applicable in the determination of the amount payable under Section 2.14(C)(i) hereof determined in accordance with the provisions of Section 2.14(D)(ii) hereof.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means, as of the Closing Date, Wells Fargo Securities, LLC, JPMorgan Chase Bank, N.A. and U.S. Bank National Association, each in its capacity as a joint lead arranger and joint book runner for the loan transaction evidenced by this Agreement.

“Assignment Agreement” means an assignment and acceptance agreement entered into in connection with an assignment pursuant to Section 13.3 hereof in substantially the form of Exhibit D.

“Asset Sale” means, with respect to any Person, the sale, lease, conveyance, disposition or other transfer by such Person of any of its assets (including by way of a sale-leaseback transaction, and including the sale or other transfer of any of the Equity Interests of any Subsidiary of such Person) to any Person other than the Company or any of its Subsidiaries other than (i) the sale of inventory in the ordinary course of business, and (ii) the sale or other disposition of any obsolete, excess, damaged, redundant, unnecessary or worn-out equipment disposed of in the ordinary course of business.

“Augmenting Lender” is defined in Section 2.22 hereof.

“Authorized Officer” means any of the President, Chief Executive Officer, Chief Financial Officer or Treasurer of any Borrower, acting singly, or such other Person as is authorized or designated in writing to act on behalf of such Person.

“Authorized Signer” means any of the President, Chief Executive Officer, Chief Financial Officer, Treasurer, Director of Global Treasury or Global Treasury Manager of any Borrower, acting singly, or such other Person as is authorized or designated in writing to act on behalf of such Person.

“Available Tenor” means, as of any date of determination and with respect to any then-current Benchmark for any Agreed Currency, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) 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, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 4.3(c)(iv).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“**Benchmark**” means, initially, with respect to any (a) Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, USD LIBOR; provided that if (i) the USD LIBOR Transition Date has occurred or (ii) a Benchmark Transition Event, a Term RFR Transition Event or an Other Benchmark Rate Election, as applicable, has occurred with respect to the then-current Benchmark for Dollars, then “Benchmark” means, with respect to such Obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.3(c)(i), (b) Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, British Pounds Sterling, the Adjusted Daily Simple RFR applicable for such Agreed Currency; provided that if a Benchmark Transition Event or a Term RFR Transition Event, as applicable, has occurred with respect to such Adjusted Daily Simple RFR or the then-current Benchmark for such Agreed Currency, then “Benchmark” means, with respect to such Obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.3(c)(i) and (c) Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, euros or Yen, EURIBOR or TIBOR, respectively; provided that if a Benchmark Transition Event or a Term RFR Transition Event, as applicable, has occurred with respect to EURIBOR or TIBOR, as applicable, or the then-current Benchmark for such Agreed Currency, then “Benchmark” means, with respect to such Obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.3(c)(i).

“**Benchmark Replacement**” means,

(a) with respect to any Benchmark Transition Event for any then-current Benchmark, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Company as the replacement for such Benchmark giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time and (ii) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

(b) with respect to the USD LIBOR Transition Date, for any Available Tenor of the Adjusted Eurocurrency Rate for Dollars, the first alternative set forth in the order below that can be determined by the Administrative Agent for the USD LIBOR Transition Date:

- (1) Adjusted Term SOFR; provided, that, if the Company has provided a notification to the Administrative Agent in writing on or prior to the USD LIBOR Transition Date that any Borrower has a Hedging Agreement in place with respect to any of the Loans as of the date of such notice (which such notification the Administrative Agent shall be entitled to rely upon and shall have no duty or obligation to ascertain the correctness or completeness of), then the Administrative Agent, in consultation with the Company,

may decide not to determine the Benchmark Replacement pursuant to this clause (b)(1) for the USD LIBOR Transition Date;

- (2) Adjusted Daily Simple RFR for Dollars;
- (3) the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Company as the replacement for the Adjusted Eurocurrency Rate for Dollars giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the Adjusted Eurocurrency Rate for Dollars for syndicated credit facilities denominated in Dollars at such time and (B) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

(c) with respect to any Term RFR Transition Event for any Agreed Currency, the Term RFR for such Agreed Currency;

(d) with respect to any Other Benchmark Rate Election, the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Company as the replacement for the Adjusted Eurocurrency Rate for Dollars giving due consideration to any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for Dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

provided that, in the case of clause (b)(1), if the Administrative Agent decides that Adjusted Term SOFR is not administratively feasible for the Administrative Agent, then Adjusted Term SOFR will be deemed unable to be determined for purposes of this definition.

“Benchmark Replacement Adjustment” means, for purposes of:

(a) clauses (a) and (b)(3) of the definition of “Benchmark Replacement”, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Company giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency; and

(b) clause (d) of the definition of “Benchmark Replacement”, with respect to any replacement of the Adjusted Eurocurrency Rate for Dollars with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Company giving due consideration to any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Adjusted Eurocurrency Rate for Dollars with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark for any Agreed Currency:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event”, the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(b) in the case of clause (c) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date; or

(c) in the case of a Term RFR Transition Event for such Agreed Currency, the Term RFR Transition Date applicable thereto; or

(d) in the case of an Other Benchmark Rate Election, the sixth (6th) Business Day after the date notice of such Other Benchmark Rate Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Other Benchmark Rate Election is provided to the Lenders, written notice of objection to such Other Benchmark Rate Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (A) if the Reference Time for the applicable Benchmark refers to a specific time of day and the event giving rise to the Benchmark Replacement Date for any Benchmark occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such Benchmark and for such determination and (B) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, with respect to the then-current Benchmark for any Agreed Currency (other than Adjusted Eurocurrency Rate for Dollars), the occurrence of one or more of the following events with respect to such Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

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

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Start Date” means, with respect to any Benchmark for any Agreed Currency, (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) or (b) in the case of an Other Benchmark Rate Election, the applicable Benchmark Replacement Date.

“Benchmark Unavailability Period” means, with respect to (a) the Adjusted Eurocurrency Rate for Dollars, the period (if any) (i) beginning at the time that the USD LIBOR Transition Date has occurred pursuant to clause (a) of that definition if, at such time, no Benchmark Replacement has replaced the Adjusted Eurocurrency Rate for Dollars for all purposes hereunder and under any Loan Document in accordance with Section 4.3(c)(i) and (ii) ending at the time that a Benchmark Replacement has replaced the Adjusted Eurocurrency Rate for Dollars for all purposes hereunder and under any Loan Document in accordance with Section 4.3(c)(i) and (b) any then-current Benchmark for any Agreed Currency other than the Adjusted Eurocurrency Rate for Dollars, the period (if any) (i) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.3(c)(i) and (ii) ending at the time that

a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.3(c)(i).

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 CFR § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Borrower” means the Company, Woodward Aken, Woodward Kempen, any Foreign Subsidiary Borrower or any other Subsidiary Borrower made a party hereto in accordance with Section 2.23, in each case together with its successors and permitted assigns, including a debtor-in-possession on behalf of such Borrower.

“Borrowing Date” means a date on which an Advance or Swing Line Loan is made hereunder.

“Borrowing/Election Notice” is defined in Section 2.7 hereof.

“Borrowing Subsidiary Agreement” means a Borrowing Subsidiary Agreement substantially in the form of Exhibit N-1.

“Borrowing Subsidiary Termination” means a Borrowing Subsidiary Termination substantially in the form of Exhibit N-2.

“British Pounds Sterling” means the lawful currency of Great Britain.

“Business Day” means:

- (a) for the purpose of any payment to be made in Dollars, a day other than a Saturday or Sunday on which (i) banks are open in New York, New York for the conduct of substantially all of their commercial lending activities, including the transaction of domestic and foreign exchange business, (ii) interbank wire transfers can be made on the Fedwire system, and (iii) dealings in Dollars are carried on in the London interbank markets; and

- (b) for any other purpose, means a day (i) other than a Saturday or Sunday on which banks are open in London and New York, New York for the conduct of substantially all of their commercial lending activities, including the transaction of domestic and foreign exchange business, and interbank wire transfers can be made on the Fedwire system, and (ii) with respect to borrowings, payment or rate selection of Loans denominated in (A) euro, a day on which such clearing system as is determined by the Administrative Agent to be suitable for clearing or settlement of euro is open for business and (B) an Agreed Currency other than Dollars and euro, a day on which the applicable Eurocurrency/RFR Payment Office related to such currency is open for the transaction of domestic and foreign exchange business.

“Capital Stock” means (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (iii) in the case of a limited liability company, membership interests, (iv) in the case of a partnership, partnership interests (whether general or limited) and (v) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person; provided, however, that “Capital Stock” shall not include any debt securities convertible into equity securities prior to such conversion.

“Capitalized Lease” of a Person means any lease of property (real, personal or a combination thereof) by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“Capitalized Lease Obligations” of a Person means the amount of the obligations of such Person under Capitalized Leases.

“Cash Equivalents” means (i) marketable direct obligations issued or unconditionally guaranteed by the governments of the United States and backed by the full faith and credit of the United States government; (ii) domestic and Eurocurrency certificates of deposit and time deposits, bankers’ acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies, the long-term indebtedness of which institution at the time of acquisition is rated BBB (or better) by S&P or Fitch or Baa (or better) by Moody’s, and which certificates of deposit and time deposits are fully protected against currency fluctuations for any such deposits with a term of more than ninety (90) days; (iii) shares of money market, mutual or similar funds having assets in excess of \$100,000,000 and the investments of which are limited to investment grade securities (i.e., securities rated BBB (or better) by S&P or Fitch or Baa (or better) by Moody’s; and (iv) commercial paper of United States and foreign banks and bank holding companies and their subsidiaries and United States and foreign finance, commercial industrial or utility companies which, at the time of acquisition, are rated A-2 (or better) by S&P, P-2 (or better) by Moody’s, or F-2 (or better) by Fitch; provided that the maturities of such Cash Equivalents (other than as described in clause (iii) above) shall not exceed three hundred sixty-five (365) days from the date of acquisition thereof.

“Change” is defined in Section 4.2 hereof.

“Change in Law” means (a) the adoption of any law, rule, regulation or treaty (including any rules or regulations issued under or implementing any existing law) after the date of this Agreement, (b) any change in any law, rule, regulation or treaty or in the interpretation, implementation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 4.2, by any lending office of such Lender or by such Lender’s or such Issuing Bank’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and 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, including pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“Change of Control” means an event or series of events by which:

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934), becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, provided that a person shall be deemed to have “beneficial ownership” of all securities that such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of thirty percent (30%) or more of the combined voting power of the Company’s outstanding Capital Stock ordinarily having the right to vote at an election of directors; or

(b) the majority of the board of directors of the Company fails to consist of Continuing Directors; or

(c) the Company conveys, transfers or leases all or substantially all of its property to any Person (other than in a transaction in which the conditions set forth in clauses (a) and (b) would not be violated as they relate to the successor to the Company following such transaction, so long as the successor assumes all obligations and liabilities of the Company hereunder).

“Closing Date” means June 19, 2019.

“Co-Syndication Agents” means each of JPMorgan Chase Bank, N.A. and U.S. Bank National Association.

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

“Commission” means the Securities and Exchange Commission of the United States of America and any Person succeeding to the functions thereof.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Company” means Woodward, Inc., a Delaware corporation.

“Conforming Changes” means, with respect to the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate”, the definition of “Business Day,” the definition of “Eurocurrency Banking Day”, the definition of “RFR Business Day”, the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 4.4 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and 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 any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Connection Income Tax” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise taxes.

“Consolidated Assets” means the total assets of the Company and its Subsidiaries on a consolidated basis (determined in accordance with Agreement Accounting Principles).

“Consolidated Net Worth” means, at a particular date, all amounts which would be included under shareholders’ equity (including capital stock, additional paid-in capital and retained earnings) on the consolidated balance sheet for the Company and its consolidated Subsidiaries determined in accordance with Agreement Accounting Principles.

“Consolidated Tangible Assets” means, at a particular date, Consolidated Assets, less the value (net of applicable reserves and accumulated amortization) of all goodwill, tradenames, trademarks, patents and other like intangible assets, all as determined in accordance with Agreement Accounting Principles.

“Contaminant” means any pollutant, hazardous substance, toxic substance, hazardous waste, special waste, petroleum or petroleum-derived substance, asbestos, polychlorinated biphenyls (“**PCBs**”), or any constituent of any such substance, and includes but is not limited to these terms as defined in Environmental, Health or Safety Requirements of Law.

“Contingent Obligation”, as applied to any Person, means any Contractual Obligation, contingent or otherwise, providing for the guarantee of, or having the same economic effect as providing a guarantee of, any Indebtedness of another or other obligation or liability of another, including, without limitation, any such Indebtedness, obligation or liability of another directly or

indirectly guaranteed, endorsed (otherwise than for collection or deposit in the ordinary course of business), co-made or discounted or sold with recourse by that Person, or in respect of which that Person is otherwise directly or indirectly liable, including Contractual Obligations (contingent or otherwise) arising through any agreement to purchase, repurchase, or otherwise acquire such Indebtedness, obligation or liability or any security therefor, or to provide funds for the payment or discharge thereof (whether in the form of loans, advances, stock purchases, capital contributions or otherwise), or to maintain solvency, assets, level of income, or other financial condition, or to make payment other than for value received. The amount of any Contingent Obligation shall be equal to the present value of the portion of the obligation so guaranteed or otherwise supported, in the case of known recurring obligations, and the maximum reasonably anticipated liability in respect of the portion of the obligation so guaranteed or otherwise supported assuming such Person is required to perform thereunder, in all other cases; provided that Contingent Obligations shall not include endorsements for collection in the ordinary course of business.

“Continuing Director” means, with respect to any Person as of any date of determination, any member of the board of directors of such Person who (a) was a member of such board of directors on the date of this Agreement, or (b) was nominated for election or elected to such board of directors with the approval of the Continuing Directors who were members of such board at the time of such nomination or election.

“Contractual Obligation”, as applied to any Person, means any provision of any equity or debt securities issued by that Person or any indenture, mortgage, deed of trust, security agreement, pledge agreement, guaranty, contract, undertaking, agreement or instrument, in any case in writing, to which that Person is a party or by which it or any of its properties is bound, or to which it or any of its properties is subject.

“Controlled Group” means any trade or business (whether or not incorporated) that, together with the Company, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“Credit Party” means the Administrative Agent, any Issuing Bank, the Swing Line Bank or any other Lender.

“Customary Permitted Liens” means:

- (i) Liens with respect to the payment of taxes, assessments or governmental charges in all cases (i) which are not yet due and payable or (ii) which are being, or will promptly be, contested in good faith by appropriate proceedings properly instituted and diligently conducted and with respect to which adequate reserves or other appropriate provisions are being maintained, which reserves and provisions shall be maintained in accordance with generally accepted accounting principles as in effect from time to time, if and to the extent that such generally accepted accounting principles so require;
- (ii) statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law

created in the ordinary course of business for amounts not yet overdue by more than thirty (30) days or which are being, or will promptly be, contested in good faith by appropriate proceedings properly instituted and diligently conducted and with respect to which adequate reserves or other appropriate provisions are being maintained, which reserves and provisions shall be maintained in accordance with generally accepted accounting principles as may be in effect from time to time, if and to the extent that such generally accepted accounting principles so require as well as Liens (any retention of title arrangement (*Eigentumsvorbehalt*) or extended retention of title arrangement (*verlängerter Eigentumsvorbehalt*)) contractually agreed in the ordinary course of business, arising pursuant to the general terms and conditions of trade counterparties or arising under mandatory law and not as result of a default;

- (iii) Liens (other than Environmental Liens and Liens in favor of the IRS or the PBGC) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), including Liens given in order to comply with the German Act on Partial Retirement (*Altersteilzeitgesetz*) or the German Social Security Code Part IV (*Sozialgesetzbuch IV*);
- (iv) Liens arising with respect to zoning restrictions, easements, encroachments, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges, restrictions or encumbrances on the use of real property which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary use or occupancy of the real property or with the ordinary conduct of the business of the Company or any of its Subsidiaries;
- (v) Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against the Company or any of its Subsidiaries, which do not constitute a Default under Section 8.1(H) hereof;
- (vi) any interest or title of the lessor in the property subject to any operating lease entered into by the Company or any of its Subsidiaries in the ordinary course of business;
- (vii) Liens on deposits of cash and Cash Equivalents made to secure permitted Indebtedness in connection with Hedging Agreements permitted hereunder;
- (viii) Liens in favor of customs and revenues authorities which secure payment of customs duties in connection with the importation of goods; provided such Lien attaches solely to such goods being so imported and in respect of which such duties are owing;

- (ix) any interest, Lien or title of a licensor, sublicensor, lessor or sublessor under any license or lease agreement in the property being leased or licensed as permitted hereunder;
- (x) Liens which arise under Article 4 of the UCC on items in collection and documents and proceeds related thereto, as arising in the ordinary course of business;
- (xi) Liens arising under contracts to sell goods in the ordinary course of business, including pursuant to Article 2 of the UCC;
- (xii) rights of setoff or banker's liens upon deposits of cash in favor of banks or other depository institutions, but not securing any Indebtedness for money borrowed as well as Liens arising under the general terms and conditions of German banks or saving banks (*Allgemeine Geschäftsbedingungen der Banken oder Sparkassen*) over bank accounts and deposits; and
- (xiii) rights of third parties to receive assets to be transferred by the Company or any Subsidiary to such third parties pursuant to Asset Sales permitted under this Agreement.

“Daily Simple RFR Advance” means an Advance which bears interest at the Adjusted Daily Simple RFR Rate, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Daily Simple RFR Loan” means a Loan made on a fully syndicated basis pursuant to Section 2.1, which bears interest at the Adjusted Daily Simple RFR Rate, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Default” means an event described in Article VIII hereof.

“Defaulting Lender” means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Revolving Loans, (ii) fund any portion of its participations in Letters of Credit or Swing Line Loans or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Company or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit (except for any obligations under such other agreements subject to a good faith dispute), (c) has failed, within three Business Days after written request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Revolving Loans and participations in then outstanding Letters of Credit and

Swing Line Loans under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of a Bail-In Action or Bankruptcy Event.

"Designated Lender" means, with respect to each Designating Lender, each Eligible Designee designated by such Designating Lender pursuant to Section 13.1(B).

"Designating Lender" means, with respect to each Designated Lender, the Lender that designated such Designated Lender pursuant to Section 13.1(B).

"Designation Agreement" is defined in Section 13.1(B).

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days after the Revolving Loan Termination Date.

"DOL" means the United States Department of Labor and any Person succeeding to the functions thereof.

"Dollar" and **"\$"** means dollars in the lawful currency of the United States of America.

"Dollar Amount" of any currency at any date shall mean (i) the amount of such currency if such currency is Dollars or (ii) the Equivalent Amount of Dollars if such currency is any currency other than Dollars.

"Domestic Incorporated Subsidiary" means a Subsidiary of the Company organized under the laws of a jurisdiction located in the United States of America.

"Domestic Subsidiary Borrower" any Domestic Incorporated Subsidiary that has been designated as a Domestic Subsidiary Borrower pursuant to Section 2.23 and that has not ceased to be a Domestic Subsidiary Borrower pursuant to such Section.

"Domestic Subsidiary Guarantors" means (i) all of the Company's Significant Domestic Incorporated Subsidiaries as of the Closing Date and (ii) all new Significant Domestic Incorporated Subsidiaries which become Domestic Subsidiary Guarantors in accordance with Section 7.2(K).

"Domestic Subsidiary Guaranty" means that certain Amended and Restated Subsidiary Guaranty, dated as of June 19, 2019, attached hereto as Exhibit I-1, executed by the Domestic Subsidiary Guarantors in favor of the Administrative Agent, for the ratable benefit of the Lenders, the Swing Line Bank and the Issuing Banks (as the same may be amended, restated, supplemented or otherwise modified (including to add new Domestic Subsidiary Guarantors) from time to time), unconditionally guaranteeing all of the indebtedness, obligations and liabilities of the Company and the Foreign Subsidiary Borrowers arising under or in connection with the Loan Documents.

“Drawn Foreign Amount” means on any date the aggregate principal amount of Obligations outstanding under the Agreement that are owed or guaranteed by the Foreign Subsidiaries and the aggregate stated face amount of Letters of Credit issued under the Agreement for the account of Foreign Subsidiaries.

“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

“Early Opt-in Election” means the occurrence of: (a) a notification by the Administrative Agent to (or the request by the Company to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a Term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (b) the joint election by the Administrative Agent and the Company to trigger a fallback from the Adjusted Eurocurrency Rate for Dollars and the provision by the Administrative Agent of written notice of such election to the Lenders.

“EBITDA” means, for any period, on a consolidated basis for the Company and its Subsidiaries, the sum of the amounts for such period, without duplication, of (i) Net Income, plus (ii) Interest Expense to the extent deducted in computing Net Income, plus (iii) charges against income for foreign, federal, state and local taxes to the extent deducted in computing Net Income, plus (iv) depreciation expense to the extent deducted in computing Net Income, plus (v) amortization expense, including, without limitation, amortization of goodwill and other intangible assets to the extent deducted in computing Net Income, plus (vi) any unusual non-cash charges to the extent deducted in computing Net Income, plus (vii) non-cash stock based compensation paid during such period to the extent deducted in computing Net Income, plus (viii) up to \$5,000,000 per fiscal year in transaction fees, costs and expenses incurred in connection with the consummation of any acquisition permitted hereunder (or any such acquisition proposed and not consummated)(this language regarding the \$5,000,000 amount being required to align this Agreement with the language of the 2013 Note Agreement, the 2016 Note Agreement and the 2018 Note Agreement); provided, that any such fees, costs or expenses are paid within six (6) months after the date incurred, plus (ix) transaction fees, costs and expenses incurred in connection with the consummation of any acquisition permitted hereunder (or any such acquisition proposed and not consummated); provided, that any such fees, costs or expenses are paid within six (6) months after the date the related acquisition is consummated or abandoned, plus (x) costs, charges, accruals, reserves or expenses attributable to the undertaking and/or implementation of cost savings initiatives or operating expense reductions and similar initiatives, integration, transition, and other restructuring costs, charges, accruals, reserves and expenses (including costs related to the closure or consolidation of facilities and curtailments, consulting and other professional fees, signing costs, retention or completion bonuses, executive recruiting costs, relocation expenses, severance payments and modifications to, or losses on settlement of, pension and post-retirement employee benefit plans); provided that the aggregate amount included in EBITDA pursuant to this

clause (x) of this definition of EBITDA for the cash portion of any such costs, charges, accruals, reserves or expenses during any period shall not exceed 10% of EBITDA in the aggregate for any fiscal year (calculated prior to giving effect to any adjustment pursuant to this clause (x)) minus (xi) any unusual non-cash gains to the extent added in computing Net Income; (provided, further, clauses (viii), (ix) and (x) of this definition of “EBITDA” shall be effective only to the extent that the Administrative Agent shall have received evidence satisfactory to it that each such clause is included in the definition of “EBITDA” set forth in the 2013 Note Agreement, the 2016 Note Agreement and the 2018 Note Agreement, it being acknowledged that such clauses (viii) and (x) only are so included in the 2013 Note Agreement, the 2016 Note Agreement and the 2018 Note Agreement as of the Closing Date). EBITDA shall be calculated on a pro forma basis giving effect to Permitted Acquisitions and Asset Sales on a last twelve (12) months’ basis using, for any such Permitted Acquisition, historical financial statements containing reasonable adjustments satisfactory to the Administrative Agent, broken down by fiscal quarter in the Company’s reasonable judgment.

“**ECP**” means an “eligible contract participant” as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the United States Securities and Exchange Commission.

“**EEA Financial Institution**” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“**EEA Member Country**” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“**EEA Resolution Authority**” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any credit institution or investment firm established in any EEA Member Country.

“**Electronic Record**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 15 U.S.C. 7006.

“**Electronic Signature**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 15 U.S.C. 7006.

“**Eligible Currency**” means any currency other than Dollars with respect to which the Administrative Agent or any Borrower has not given notice in accordance with Section 4.3(b) and that is readily available, freely traded, in which deposits are customarily offered to banks in the London interbank market, convertible into Dollars in the international interbank market available to the Lenders in such market and as to which an Equivalent Amount may be readily calculated. If, after the designation by the Lenders at the request of any Borrower of any currency as an Agreed

Currency, currency control or other exchange regulations are imposed in the country in which such currency is issued with the result that different types of such currency are introduced, (i) such country's currency is, in the determination of the Administrative Agent, no longer readily available or freely traded or (ii) as to which, in the determination of the Administrative Agent, an Equivalent Amount is not readily calculable (each of clause (i) and (ii), a "**Disqualifying Event**"), then the Administrative Agent shall promptly notify the Lenders and the Borrowers, and such country's currency shall no longer be an Agreed Currency until such time as the Disqualifying Event(s) no longer exist, but in any event within five (5) Business Days of receipt of such notice from the Administrative Agent, the Borrowers shall repay all Loans in such currency to which the Disqualifying Event applies or convert such Loan into Loans in Dollars or another Agreed Currency, subject to the other terms contained in Articles II and IV.

"**Eligible Designee**" means a special purpose corporation, partnership, trust, limited partnership or limited liability company that is administered by the respective Designating Lender or an Affiliate of such Designating Lender and (i) is organized under the laws of the United States of America or any state thereof, (ii) is engaged primarily in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business and (iii) issues (or the parent of which issues) commercial paper rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's.

"**Environmental, Health or Safety Requirements of Law**" means all Requirements of Law derived from or relating to foreign, federal, state and local laws or regulations relating to or addressing pollution or protection of the environment, or protection of worker health or safety, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Occupational Safety and Health Act of 1970, 29 U.S.C. § 651 et seq., and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., in each case including any amendments thereto, any successor statutes, and any regulations or guidance promulgated thereunder, and any state or local equivalent thereof.

"**Environmental Lien**" means a lien in favor of any Governmental Authority for (a) any liability under Environmental, Health or Safety Requirements of Law, or (b) damages arising from, or costs incurred by such Governmental Authority in response to, a Release or threatened Release of a Contaminant into the environment.

"**Environmental Property Transfer Act**" means any applicable requirement of law that conditions, restricts, prohibits or requires any notification or disclosure triggered by the closure of any property or the transfer, sale or lease of any property or deed or title for any property for environmental reasons, including, but not limited to, any so-called "Industrial Site Recovery Act" or "Responsible Property Transfer Act."

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equivalent Amount**" of any currency at any date shall mean the equivalent in Dollars of such currency, calculated on the basis of the arithmetic mean of the buy and sell spot rates of exchange of the Administrative Agent or an Affiliate of the Administrative Agent in the London

interbank market (or other market where the Administrative Agent's foreign exchange operations in respect of such currency are then being conducted) for such other currency as reported by Reuters or any other generally recognized financial information service at or about 11:00 a.m. (local time applicable to the transaction in question) on the date on which such amount is to be determined, rounded up to the nearest amount of such currency as determined by the Administrative Agent from time to time; provided, however, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent or an Affiliate of the Administrative Agent may use any reasonable method it deems appropriate (after consultation with the Borrower) to determine such amount, and such determination shall be conclusive absent manifest error.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time including (unless the context otherwise requires) any rules or regulations promulgated thereunder.

"ERISA Event" means (a) a Reportable Event, (b) the failure with respect to any Single Employer Plan to satisfy the "minimum funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived, (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Single Employer Plan, (d) the incurrence by the Company or any other member of the Controlled Group of any liability under Title IV of ERISA with respect to the termination of any Single Employer Plan, (e) the receipt by the Company or any other member of the Controlled Group from the PBGC or a plan administrator of any notice relating to an intention to terminate any Single Employer Plan or Single Employer Plans or to appoint a trustee to administer any Single Employer Plan, (f) the incurrence by the Company or any other member of the Controlled Group of any liability with respect to the withdrawal or partial withdrawal from any Single Employer Plan or Multiemployer Plan or (g) the receipt by the Company or any other member of the Controlled Group of any notice, or the receipt by any Multiemployer Plan from the Company or any other member of the Controlled Group of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

"Erroneous Payment" has the meaning assigned thereto in Section 11.16(a).

"Erroneous Payment Deficiency Assignment" has the meaning assigned thereto in Section 11.16(d).

"Erroneous Payment Return Deficiency" has the meaning assigned thereto in Section 11.16(d).

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor thereto), as in effect from time to time.

"euro" means the lawful currency of the member states of the European Union which adopted the Council Regulation E.C. No. 1103/97 dated 17 June 1997 passed by the Council of the European Union, or, if different, the then lawful currency of the member states of the European Union that participate in the third stage of the Economic and Monetary Union.

“Eurocurrency Banking Day” means, (a) for Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, a London Banking Day, (b) for Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Euros, a TARGET2 Day, or (c) for Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Yen, any day (other than a Saturday or Sunday) on which banks are open for business in Japan; provided, that, in each case, such day is also a Business Day.

“Eurocurrency Base Rate” means,

(a) for any Eurocurrency Rate Loan for any Interest Period:

(i) denominated in Dollars, the greater of (A) the rate of interest per annum equal to the London interbank offered rate for deposits in Dollars (**“USD LIBOR”**) as administered by the IBA, or a comparable or successor administrator approved by the Administrative Agent, for a period comparable to the applicable Interest Period (in each case, the **“USD LIBOR Rate”**), at approximately 11:00 a.m. (London time) on the applicable Rate Determination Date; and (B) the Floor;

(ii) denominated in Euros, the greater of (A) the rate of interest per annum equal to the Euro Interbank Offered Rate (**“EURIBOR”**) as administered by the European Money Markets Institute, or a comparable or successor administrator approved by the Administrative Agent, for a period comparable to the applicable Interest Period (in each case, the **“EURIBOR Rate”**), at approximately 11:00 a.m. (Brussels time) on the applicable Rate Determination Date and (B) the Floor;

(iii) denominated in Yen, the greater of (A) the rate per annum equal to the Tokyo Interbank Offered Rate (**“TIBOR”**) as administered by the Ippan Shadan Hojin JBA TIBOR Administration, or a comparable or successor administrator approved by the Administrative Agent, for a period comparable to the applicable Interest Period (in each case, the **“TIBOR Rate”**), at approximately 11:00 a.m. (Tokyo time) on the applicable Rate Determination Date and (B) the Floor; or

(b) for any rate calculation with respect to a Floating Rate Loan on any date, the rate of interest per annum equal to USD LIBOR as administered by the IBA, or a comparable or successor administrator approved by the Administrative Agent, for a period comparable to one month, at approximately 11:00 a.m. (London time) two (2) Eurocurrency Banking Days prior to the date of such calculation.

“Eurocurrency Rate” means, with respect to a Eurocurrency Rate Loan or Advance for the relevant Interest Period, the Adjusted Eurocurrency Rate applicable to such Interest Period plus the Applicable Eurocurrency/RFR Margin then in effect.

“Eurocurrency Rate Advance” means an Advance which bears interest at the Eurocurrency Rate other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Eurocurrency Rate Loan” means a Loan made on a fully syndicated basis pursuant to Section 2.1, which bears interest at the Eurocurrency Rate other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Eurocurrency Reserve Percentage” means, for any day, the percentage which is in effect for such day as prescribed by the FRB for determining the maximum reserve requirement (including any basic, supplemental or emergency reserves) in respect of eurocurrency liabilities or any similar category of liabilities for a member bank of the Federal Reserve System in New York City or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Revolving Loan Commitments or the funding of the Loans. The Adjusted Eurocurrency Rate for each outstanding Loan shall be adjusted automatically as of the effective date of any change in the Eurocurrency Reserve Percentage.

“Eurocurrency/RFR Payment Office” means, for each of the Agreed Currencies, any agency, branch or Affiliate of the Administrative Agent, specified as the “Eurocurrency/RFR Payment Office” for such Agreed Currency on Exhibit A-1 hereto or such other agency, branch, Affiliate or correspondence bank of the Administrative Agent, as it may from time to time specify to the Borrowers and each Lender as its Eurocurrency/RFR Payment Office.

“Excluded Hedging Obligation” means, with respect to any Subsidiary Guarantor or, with respect to any Borrower but only in its capacity as guarantor of any Hedging Obligations pursuant to Section 16.1 hereof (each a **“Guarantor”**), any Hedging Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of such Hedging Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an ECP at the time the guarantee of such Guarantor becomes effective with respect to such Hedging Obligation. If a Hedging Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Hedging Obligation that is attributable to swaps for which such guarantee is or becomes illegal.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender, any Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of the Company or any Subsidiary hereunder, (a) income or franchise taxes, in each case (i) imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction described in clause (a) above, (c) in the case of any Non-U.S. Lender, any United States withholding tax that (i) is resulting from any law in effect on the date such Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrowers with respect to any withholding tax pursuant to Section 2.14(E), or (ii) is attributable to such Non-U.S. Lender’s failure to comply with Section 2.14(E) and (d) any U.S. federal withholding taxes imposed under FATCA.

“Existing Credit Agreement” means that certain Credit Agreement, dated as of July 10, 2013, by and among the Company, Woodward Aken, certain lenders party thereto and Wells Fargo, as administrative agent, as amended prior to the Closing Date.

“Extension” is defined in Section 9.3.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Effective Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that if such rate is not so published for any day which is a Business Day, the Federal Funds Effective Rate for such day shall be the average of the quotation for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by the Administrative Agent. Notwithstanding the foregoing, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“Fee Letters” means each of the following fee letters, as each may be amended, restated, supplemented or otherwise modified from time to time: (i) the Fee Letter among the Company, Wells Fargo and Wells Fargo Securities, LLC, dated as of June 4, 2019; (ii) the Fee Letter between the Company and JPMorgan Chase Bank, N.A., dated as of June 12, 2019; and (iii) the Fee Letter between the Company and U.S. Bank National Association, dated as of June 10, 2019.

“Fitch” means Fitch Investors Service, L.P., together with its successors and assigns.

“Fixed-Rate Loan” means any Eurocurrency Rate Loan or Term RFR Loan bearing a fixed rate of interest for the applicable Interest Period.

“Floating Rate” means, for any day for any Loan or Advance, a rate per annum equal to the Alternate Base Rate for such day, changing when and as the Alternate Base Rate changes, plus the Applicable Floating Rate Margin then in effect.

“Floating Rate Advance” means an Advance which bears interest at the Floating Rate.

“Floating Rate Loan” means a Loan, or portion thereof, which bears interest at the Floating Rate.

“Floor” means a rate of interest equal to 0%.

“Foreign Guarantor” is defined in Section 7.3(D)(v).

“Foreign Subsidiary” means any Subsidiary that is not a Domestic Incorporated Subsidiary.

“Foreign Subsidiary Borrower” means Woodward Aken, Woodward Kempen, and any other Foreign Subsidiary that has been designated as a Foreign Subsidiary Borrower pursuant to Section 2.23 and that has not ceased to be a Foreign Subsidiary Borrower pursuant to such Section.

“Foreign Subsidiary Guarantor” means, with respect to any Foreign Subsidiary Borrower, each of such Foreign Subsidiary Borrower’s Significant Foreign Subsidiaries to the extent that, in the reasonable judgment of the Company and the Administrative Agent, such guaranty would not result in any unreasonably adverse tax obligations as a result thereof, and to the extent such guaranty is not prohibited by applicable laws or regulations, and **“Foreign Subsidiary Guarantors”** means all such guarantors, collectively.

“Foreign Subsidiary Guaranty” means each of (x) Section 16.1 hereof with respect to any Foreign Subsidiary Guarantor that is also a Foreign Subsidiary Borrower, and (y) any of those certain Foreign Subsidiary Guaranties, in the form attached hereto as Exhibit I-2, executed by the Foreign Subsidiary Guarantors in favor of the Administrative Agent, for the ratable benefit of the Lenders, the Swing Line Bank and the Issuing Banks (as each of the same may be amended, restated, supplemented or otherwise modified) whereby Foreign Subsidiary Guarantors unconditionally guarantee all of the indebtedness, obligations and liabilities of their Foreign Subsidiary Borrower (parent corporation) arising under or in connection with the Loan Documents.

“Foreign Subsidiary Investment Limitation” means (i) at any time the Leverage Ratio is equal to or greater than 2.50 to 1.00 but less than 3.00 to 1.00, aggregate Investments by the Company and its Subsidiaries in Foreign Subsidiaries, measured by the cash value at the time of Investment, shall not exceed \$400,000,000 plus the Drawn Foreign Amount, and (ii) at any time the Leverage Ratio is equal to or greater than 3.00 to 1.00, aggregate Investments by the Company and its Subsidiaries in Foreign Subsidiaries, measured by the cash value at the time of Investment, shall not exceed \$200,000,000 plus the Drawn Foreign Amount; provided, however, for any period during which at least 65% of the aggregate voting Equity Interests of a Foreign Subsidiary have been pledged (on a first priority basis and pursuant to agreements, documents and instruments reasonably acceptable to the Required Lenders and the other requisite creditors needed to approve amendments or modifications to the Intercreditor Agreement) to secure the Obligations and the obligations owing under and in connection with the financings subject to the Intercreditor Agreement, Investments in such Foreign Subsidiary shall not be included in any determination of compliance with the then applicable Foreign Subsidiary Investment Limitation; provided, further that any amounts of cash or property distributed as a dividend or otherwise from any Foreign Subsidiary to the Company or any Significant Domestic Incorporated Subsidiary shall be deemed to reduce the aggregate Investments in Foreign Subsidiaries by such amount. In addition to the foregoing, if, within sixty (60) days after any Investment is made in a Foreign Subsidiary and (i) a pledge as described in the first proviso of this definition is entered into with respect to the Equity Interests of the Foreign Subsidiary into which such Investment is made, (ii) the Foreign Subsidiary into which such Investment is made becomes a Foreign Guarantor, or (iii) the Company or any of its Subsidiaries issues additional Equity Interests, the proceeds of which are used to pay down

outstanding Indebtedness in an amount sufficient to reduce the Leverage Ratio to a level that permits such Investment, then such Investment shall not be subject to this Foreign Subsidiary Investment Limitation.

“**FRB**” means the Board of Governors of the Federal Reserve System of the United States.

“**Fund**” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“**German Obligor**” means a member of the Obligor Group organized as a German GmbH.

“**Governmental Acts**” is defined in Section 3.10(A) hereof.

“**Governmental Authority**” means any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established to perform any of such functions.

“**Hedging Agreements**” is defined in Section 7.3(M) hereof.

“**Hedging Arrangements**” is defined in the definition of “Hedging Obligations” below.

“**Hedging Obligations**” of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (i) any and all agreements, devices or arrangements designed to protect at least one of the parties thereto from the fluctuations of interest rates, commodity prices, exchange rates or forward rates applicable to such party’s assets, liabilities or exchange transactions, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants or any similar derivative transactions (“**Hedging Arrangements**”), and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any of the foregoing.

“**IBA**” has the meaning assigned thereto in Section 1.5.

“**Increasing Lender**” is defined in Section 2.22 hereof.

“**Incremental Term Loan**” is defined in Section 2.22 hereof.

“**Incremental Term Loan Amendment**” is defined in Section 2.22 hereof.

“**Indebtedness**” of a person means, without duplication, such Person’s (i) obligations for borrowed money, including, without limitation, subordinated indebtedness, (ii) obligations representing the deferred purchase price of property or services (other than accounts payable arising in the ordinary course of such person’s business payable on terms customary in the trade and other than earn-outs or other similar forms of contingent purchase prices), (iii) obligations,

whether or not assumed, secured by Liens on or payable out of the proceeds or production from property or assets now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) Capitalized Lease Obligations, (vi) Contingent Obligations with respect to the Indebtedness of other Persons, (vii) obligations with respect to letters of credit, (viii) Off-Balance Sheet Liabilities, (ix) Receivables Facility Attributed Indebtedness, (x) Disqualified Stock, and (xi) net Hedging Obligations. The amount of Indebtedness of any Person at any date shall be without duplication (i) the outstanding balance at such date of all unconditional obligations as described above and the maximum liability of any such Contingent Obligations at such date and (ii) in the case of Indebtedness of others secured by a Lien to which the property or assets owned or held by such Person is subject, the lesser of the fair market value at such date of any asset subject to a Lien securing the Indebtedness of others and the amount of the Indebtedness secured.

“Indemnified Matters” is defined in Section 10.7(B) hereof.

“Indemnitees” is defined in Section 10.7(B) hereof.

“Initial Obligor Group” means each member of the Obligor Group as of the Closing Date.

“InsO” means the German Insolvency Act (*Insolvenzordnung*).

“Intercreditor Agreement” means the Second Amended and Restated Intercreditor Agreement, dated as of July 10, 2013 (the form of which is attached hereto as Exhibit K), by and among the Administrative Agent, the 2013 Senior Noteholders, the 2016 Senior Noteholders, the 2018 Senior Noteholders and any other credit provider to the Company which may become party thereto from time to time, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Interest Expense” means, without duplication, for any period, the total interest expense of the Company and its consolidated Subsidiaries, whether paid or accrued (including the interest component of Capitalized Leases, commitment, facility and letter of credit fees, Off-Balance Sheet Liabilities and net payments or receipts (if any) pursuant to Hedging Arrangements relating to interest rate protection), all as determined in conformity with Agreement Accounting Principles.

“Interest Period” means, as to any Loan, the period commencing on the date such Loan is disbursed or converted to or, with respect to any Eurocurrency Rate Loan or Term RFR Loan, continued as a Eurocurrency Rate Loan or Term RFR Loan, as applicable, and ending on the date one (1), three (3) or six (6) months thereafter, in each case as selected by the applicable Borrower in its Borrowing/Election Notice and subject to availability; provided that:

(a) the Interest Period shall commence on the date of advance of or conversion to any Eurocurrency Rate Loan or Term RFR Loan, as applicable, and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the immediately preceding Interest Period expires;

(b) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest

Period would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day;

(c) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period;

(d) no tenor that has been removed from this definition pursuant to Section 4.3(c)(iv) shall be available for specification in any Borrowing/Election Notice.

“Investment” means, with respect to any Person, (i) any purchase or other acquisition by that Person of any Indebtedness, Equity Interests or other securities, or of a beneficial interest in any Indebtedness, Equity Interests or other securities, issued by any other Person, (ii) any purchase by that Person of all or substantially all of the assets of a business (whether of a division, branch, unit operation, or otherwise) conducted by another Person, and (iii) any loan, advance (other than deposits with financial institutions, prepaid expenses, accounts receivable, advances to employees and similar items made or incurred in the ordinary course of business) or capital contribution by that Person to any other Person, including all Indebtedness to such Person arising from a sale of property by such Person other than in the ordinary course of its business.

“IRS” means the Internal Revenue Service and any Person succeeding to the functions thereof.

“Issuing Banks” means each of Wells Fargo and JPMorgan Chase Bank, N.A. or, in each case, any of its Affiliates, or any other Lender in its separate capacity as an issuer of Letters of Credit pursuant to Section 3.1. The designation of any Lender as an Issuing Bank after the date hereof shall be subject to the prior written consent of such Lender and of the Administrative Agent, which consent of the Administrative Agent shall not be unreasonably withheld or delayed.

“Japanese Yen” means the lawful currency of Japan.

“Joint Venture” means any Person in which the Company and its Subsidiaries, collectively, own up to (but not more than) 50% of the Capital Stock thereof.

“Last Twelve-Month Period” means, with respect to any fiscal quarter, the four-fiscal quarter period ending on the last day of such fiscal quarter.

“L/C Documents” is defined in Section 3.4 hereof.

“L/C Draft” means a draft drawn on an Issuing Bank pursuant to a Letter of Credit.

“L/C Interest” shall have the meaning ascribed to such term in Section 3.6 hereof.

“L/C Obligations” means, without duplication, an amount equal to the sum of (i) the aggregate of the Dollar Amount then available for drawing under each of the Letters of Credit and (ii) the aggregate outstanding Dollar Amount of all Reimbursement Obligations at such time. The

L/C Obligations of any Lender at any time shall be its Pro Rata Share of the total L/C Obligations at such time.

“**Lenders**” means the lending institutions listed on the signature pages of this Agreement or parties to Assignment Agreements delivered pursuant to Section 13.3, including the Issuing Banks, the Swing Line Banks and each of their respective successors and assigns.

“**Lending Installation**” means, with respect to a Lender or the Administrative Agent, any office, branch, subsidiary or affiliate of such Lender or the Administrative Agent. For the avoidance of doubt, a Lending Installation shall be deemed to be a Lender for purposes of this Agreement.

“**Letter of Credit**” means the standby letters of credit (i) to be issued by the Issuing Banks pursuant to Section 3.1 hereof or (ii) deemed issued by an Issuing Bank pursuant to Section 3.2 hereof.

“**Leverage Ratio**” is defined in Section 7.4(A) hereof.

“**Leverage Ratio Increase Period**” means any period during which the maximum Leverage Ratio is increased pursuant to Section 7.4(A) upon satisfaction of the Leverage Ratio Increase Requirements.

“**Leverage Ratio Increase Requirements**” means, in connection with any request by the Company to increase the maximum Leverage Ratio permitted under Section 7.4(A) as described therein, the following:

(i) the Company delivers such request in writing to the Administrative Agent at least three (3) Business Days prior to the date on which such request is to be given effect;

(ii) such request is delivered in connection with a Permitted Acquisition that meets the following criteria: (1) such Permitted Acquisition is for net consideration of at least \$50,000,000, and (2) the Leverage Ratio exceeds 3.00 to 1.00 after giving effect to such Permitted Acquisition (as demonstrated by the Company on a pro forma basis to the Administrative Agent’s satisfaction);

(iii) the maximum permitted leverage ratio under each of the 2013 Note Agreement, the 2016 Note Agreement and the 2018 Note Agreement is at least equal to the maximum Leverage Ratio as increased pursuant to the conditions set forth herein (and continues to be at least equal to such increased maximum Leverage Ratio for the duration of the increase); and

(iv) if the Leverage Ratio has previously been increased as permitted under Section 7.4(A), then immediately prior to such request to increase the maximum Leverage Ratio, the maximum Leverage Ratio in effect pursuant to Section 7.4(A) was not in excess of 3.50 to 1.00 for the two fiscal quarters most recently ended.

“**Lien**” means any lien (statutory or other), mortgage, land charge, pledge, hypothecation, assignment, security transfer, deposit arrangement, encumbrance or preference, priority or security agreement or preferential arrangement of any kind or nature whatsoever (including, without

limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease, retention of title arrangement (*Eigentumsvorbehalt*), extended retention of title arrangement (*verlängerter Eigentumsvorbehalt*) or other title retention agreement).

“**Loan(s)**” means, with respect to a Lender, such Lender’s portion of any Advance made pursuant to Section 2.1 hereof, as applicable, and in the case of the Swing Line Bank, any Swing Line Loan made pursuant to Section 2.2 hereof, and collectively, all Revolving Loans and Swing Line Loans, whether made or continued as or converted to Floating Rate Loans, Daily Simple RFR Loans or Fixed-Rate Loans.

“**Loan Account**” is defined in Section 2.12(A) hereof.

“**London Banking Day**” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

“**Loan Documents**” means this Agreement, any promissory notes executed pursuant to Section 2.12(D), the Domestic Subsidiary Guaranty, the Foreign Subsidiary Guaranty, the Intercreditor Agreement, and all other documents, instruments, notes and agreements executed in connection therewith or contemplated thereby, in each case, as the same may be amended, restated or otherwise modified and in effect from time to time.

“**Margin Stock**” shall have the meaning ascribed to such term in Regulation U.

“**Material Adverse Effect**” means a material adverse effect upon (a) the business, financial condition, operations, assets, or properties of the Company and its Subsidiaries, taken as a whole, (b) the ability of the Company or any of its Subsidiaries to perform its material obligations under the Loan Documents, or (c) the ability of the Lenders or the Administrative Agent to enforce the material Obligations.

“**Moody’s**” means Moody’s Investors Service, Inc., together with its successors and assigns.

“**Multiemployer Plan**” means a “Multiemployer Plan” as defined in Section 4001(a)(3) of ERISA which is, or within the immediately preceding six (6) years was, contributed to by either the Company or any member of the Controlled Group or with respect to which the Company would reasonably be expected to have liability (including liability on behalf of any member of the Controlled Group).

“**Net Domestic Indebtedness**” means, as of any date of determination, the excess, if any, of (i) Indebtedness of the Company, its Domestic Incorporated Subsidiaries and its Foreign Subsidiaries that are not Foreign Subsidiary Borrowers as of such date over (ii) the Unrestricted Domestic Cash Amount as of such date.

“**Net Foreign Subsidiary Borrower Indebtedness**” means, as of any date of determination, the excess, if any, of (i) Indebtedness of the Foreign Subsidiary Borrowers as of such date over (ii) the Unrestricted Foreign Subsidiary Borrower Cash Amount as of such date.

“Net Income” means, for any period, the net income (or loss) after taxes of the Company and its Subsidiaries on a consolidated basis for such period taken as a single accounting period determined in conformity with Agreement Accounting Principles; provided, that (i) no income (or loss) of any Joint Venture shall be included in Net Income other than cash dividends or other distributions actually paid to Company or any of its Subsidiaries by such Joint Venture during such period, and (ii) there shall be excluded from Net Income the income of any Subsidiary of the Company to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary.

“Net Indebtedness” means, as of any date of determination, the sum of Net Foreign Subsidiary Borrower Indebtedness and Net Domestic Indebtedness.

“Obligations” means all Loans, L/C Obligations, advances, debts, liabilities, obligations, covenants and duties owing by the Company or any of its Subsidiaries to the Administrative Agent, any Lender, the Swing Line Bank, the Arrangers, any Co-Syndication Agent, any Affiliate of the Administrative Agent or any Lender, the Issuing Bank, or any Indemnitee, of any kind or nature, present or future, arising under this Agreement, the L/C Documents, the Domestic Subsidiary Guaranty, the Foreign Subsidiary Guaranty, or any other Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes, without limitation, all Hedging Obligations owing under Hedging Agreements to any Lender or any Affiliate of any Lender, all interest, charges, expenses, fees, attorneys’ fees and disbursements, paralegals’ fees (in each case whether or not allowed), and any other sum chargeable to the Company or any of its Subsidiaries under this Agreement or any other Loan Document; provided, however, that the definition of ‘Obligations’ shall not create any guarantee by the Company or any Subsidiary Guarantor of any Excluded Hedging Obligations of such party for purposes of determining any obligations of any such party.

“Obligor Group” means (a) the Borrowers and (b) the Subsidiary Guarantors.

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

“Off-Balance Sheet Liabilities” of a person means (a) any Receivables Facility Attributed Indebtedness and repurchase obligations or liabilities of such Person or any of its Subsidiaries with respect to Receivables or notes receivable sold by such Person or any of its Subsidiaries, (b) any liabilities of such Person or any of its Subsidiaries under any sale and leaseback transactions which do not create liabilities on the consolidated balance sheet of such Person, (c) any liabilities of such Person or any of its Subsidiaries under any financing lease or so-called “synthetic” lease transaction, or (d) any obligations of such Person or any of its Subsidiaries arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which, in the case of the foregoing clauses (a) through (d), does not constitute a liability on the consolidated balance sheets of such Person and its Subsidiaries.

“Original Currency” is defined in Section 2.11(B) hereof.

“Other Benchmark Rate Election” means, if the then-current Benchmark for Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, is the Adjusted Eurocurrency Rate for Dollars, the occurrence of: (a) a notification by the Administrative Agent to (or the request by the Company to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed), in lieu of a USD LIBOR-based rate, a term benchmark rate that is not a SOFR-based rate as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (b) the joint election by the Administrative Agent and the Company to trigger a fallback from the Adjusted Eurocurrency Rate for Dollars and the provision by the Administrative Agent of written notice of such election to the Lenders.

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

“Other Taxes” is defined in Section 2.14(E)(ii) hereof.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Effective Rate and (ii) an overnight rate determined by the Administrative Agent (or to the extent payable to an Issuing Bank or the Swing Line Bank, such Issuing Bank or Swing Line Bank, as applicable, in each case, with notice to the Administrative Agent) to be customary in the place of disbursement or payment for the settlement of international banking transactions, and (b) with respect to any amount denominated in an Alternative Currency, an overnight rate determined by the Administrative Agent (or to the extent payable to an Issuing Bank or the Swing Line Bank, such Issuing Bank or Swing Line Bank, as applicable, in each case, with notice to the Administrative Agent) to be customary in the place of disbursement or payment for the settlement of international banking transactions.

“Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a Subsidiary.

“Participants” is defined in Section 13.2(A) hereof.

“Patriot Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 25, 2001)), as in effect from time to time.

“Payment Date” means the last Business Day of each March, June, September and December and the Termination Date.

“Payment Recipient” has the meaning assigned thereto in Section 11.16(a).

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

“**Permitted Acquisition**” is defined in Section 7.3(G) hereof.

“**Permitted Existing Contingent Obligations**” means the Contingent Obligations of the Company and its Subsidiaries identified as such on Schedule 1.1.4 to this Agreement.

“**Permitted Existing Indebtedness**” means the Indebtedness of the Company and its Subsidiaries identified as such on Schedule 1.1.1 to this Agreement.

“**Permitted Existing Investments**” means the Investments of the Company and its Subsidiaries identified as such on Schedule 1.1.2 to this Agreement.

“**Permitted Existing Liens**” means the Liens on assets of the Company and its Subsidiaries existing on the Closing Date and, other than any such Liens which individually or in the aggregate secure obligations not exceeding \$10,000,000 in the aggregate, which are identified as such on Schedule 1.1.3 to this Agreement.

“**Permitted Refinancing Indebtedness**” means any replacement, renewal, refinancing or extension of any Indebtedness permitted by this Agreement that (i) does not exceed the aggregate maximum principal amount of and maximum unused commitments under (in each case, giving effect to any permitted increases expressly provided for therein), and accrued interest and any applicable premium and associated fees and expenses of, the Indebtedness being replaced, renewed, refinanced or extended, (ii) does not have a Weighted Average Life to Maturity at the time of such replacement, renewal, refinancing or extension that is less than the Weighted Average Life to Maturity of the Indebtedness being replaced, renewed, refinanced or extended, (iii) does not rank at the time of such replacement, renewal, refinancing or extension senior to the Indebtedness being replaced, renewed, refinanced or extended, and (iv) does not contain terms (including, without limitation, terms relating to security, covenants, subordination, event of default and remedies) materially less favorable to the Company than those applicable to the Indebtedness being replaced, renewed, refinanced or extended.

“**Person**” means any individual, corporation, firm, enterprise, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company or other entity of any kind, or any government or political subdivision or any agency, department or instrumentality thereof.

“**Plan**” means an employee benefit plan defined in Section 3(3) of ERISA in respect of which the Company or any of its Subsidiaries is an “employer” as defined in Section 3(5) of ERISA (but excluding Multiemployer Plans).

“**Pricing Grid Leverage Ratio**” means the Leverage Ratio; provided, that when determining the Unrestricted Domestic Cash Amount and Unrestricted Foreign Subsidiary Borrower Cash Amount components thereof, up to \$100,000,000 in the aggregate may be deducted in the calculation of Net Domestic Indebtedness and Net Foreign Subsidiary Borrower Indebtedness (as opposed to the individual \$20,000,000 limitations that are otherwise set forth in such definitions).

“Prime Rate” means the rate of interest per annum publicly announced from time to time by Wells Fargo as its prime rate in effect at its principal office; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. The parties hereto acknowledge that the rate announced publicly by Wells Fargo as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

“Pro Rata Share” means, with respect to any Lender, the percentage obtained by dividing (x) such Lender’s Revolving Loan Commitment at such time (in each case, as adjusted from time to time in accordance with the provisions of this Agreement) by (y) the Aggregate Revolving Loan Commitment at such time; provided, however, if all of the Revolving Loan Commitments are terminated pursuant to the terms of this Agreement, then “Pro Rata Share” means the percentage obtained by dividing (x) the sum of (A) such Lender’s Revolving Loans, plus (B) such Lender’s share of the obligations to purchase participations in Swing Line Loans and Letters of Credit, by (y) the sum of (A) the aggregate outstanding amount of all Revolving Loans, plus (B) the aggregate outstanding amount of all Swing Line Loans and all Letters of Credit. Notwithstanding the foregoing, in the case of Section 2.24, when a Defaulting Lender shall exist, each Defaulting Lender’s Revolving Loan Commitment, Revolving Loans and share of Swing Line Loans and Letters of Credit shall be disregarded as contemplated by Section 2.24 when determining “Pro Rata Share” hereunder.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Purchasers” is defined in Section 13.3(A).

“Rate Determination Date” means, with respect to any Interest Period, two (2) Eurocurrency Banking Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that to the extent that such market practice is not administratively feasible for the Administrative Agent, such other day as otherwise reasonably determined by the Administrative Agent).

“Rate Option” means the Eurocurrency Rate, Adjusted Daily Simple RFR Rate, Term RFR Rate or the Floating Rate, as applicable.

“Receivable(s)” means and includes all of the Company’s and each Subsidiary’s presently existing and hereafter arising or acquired accounts, accounts receivable, and all present and future rights of the Company or such Subsidiary to payment for goods sold or leased or for services rendered in the ordinary course of the Company’s or such Subsidiary’s business (except those evidenced by instruments or chattel paper), whether or not they have been earned by performance, and all rights in any merchandise or goods which any of the same may represent, and all rights, title, security and guarantees with respect to each of the foregoing, including, without limitation, any right of stoppage in transit.

“Receivables Facility Attributed Indebtedness” means the amount of obligations outstanding under a receivables purchase facility on any date of determination that would be

characterized as principal if such facility were structured as a secured lending transaction rather than as a purchase; provided that, in no event shall any invoice sale without recourse be deemed Receivables Facility Attributed Indebtedness.

“Reference Time” with respect to any setting of the then-current Benchmark for any Agreed Currency means (a) if such Benchmark is an Adjusted Daily Simple RFR, (i) if the RFR for such Benchmark is SOFR, then four (4) RFR Business Days prior to (A) if the date of such setting is an RFR Business Day, such date or (B) if the date of such setting is not an RFR Business Day, the RFR Business Day immediately preceding such date and (ii) if the RFR for such Benchmark is SONIA, then four (4) RFR Business Days prior to (A) if the date of such setting is an RFR Business Day, such date or (B) if the date of such setting is not an RFR Business Day, the RFR Business Day immediately preceding such date, (b) if such Benchmark is an Adjusted Eurocurrency Rate, (i) if the applicable Adjusted Eurocurrency Rate for such Benchmark is based upon USD LIBOR, then 11:00 a.m. (London time) on the day that is two (2) Eurocurrency Banking Days preceding the date of such setting, (ii) if the applicable Adjusted Eurocurrency Rate for such Benchmark is based upon EURIBOR, then 11:00 a.m. (Brussels time) on the day that is two (2) Eurocurrency Banking Days preceding the date of such setting, and (iii) if the applicable Adjusted Eurocurrency Rate for such Benchmark is based upon TIBOR, then 11:00 a.m. (Tokyo time) on the day that is two (2) Eurocurrency Banking Days preceding the date of such setting and (c) otherwise, then the time determined by the Administrative Agent, including in accordance with the Conforming Changes.

“Register” is defined in Section 13.3(D) hereof.

“Regulation T” means Regulation T of the FRB as from time to time in effect and any successor or other regulation or official interpretation of said FRB relating to the extension of credit by and to brokers and dealers of securities for the purpose of purchasing or carrying margin stock (as defined therein).

“Regulation U” means Regulation U of the FRB as from time to time in effect and any successor or other regulation or official interpretation of said FRB relating to the extension of credit by banks, non-banks and non-broker lenders for the purpose of purchasing or carrying Margin Stock applicable to member banks of the Federal Reserve System.

“Regulation X” means Regulation X of the FRB as from time to time in effect and any successor or other regulation or official interpretation of said FRB relating to the extension of credit by foreign lenders for the purpose of purchasing or carrying margin stock (as defined therein).

“Reimbursement Obligation” is defined in Section 3.7 hereof.

“Release” means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including the movement of Contaminants through or in the air, soil, surface water or groundwater.

“Relevant Governmental Body” means (a) with respect to a Benchmark Replacement in respect of Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, the FRB or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB or the Federal Reserve Bank of New York, or any successor thereto and (b) with respect to a Benchmark Replacement in respect of Obligations, interest, fees, commissions or other amounts denominated in, or calculated

with respect to, any Alternative Currency, (i) the central bank for the Agreed Currency in which such Obligations, interest, fees, commissions or other amounts are denominated, or calculated with respect to, or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (ii) any working group or committee officially endorsed or convened by (A) the central bank for the Agreed Currency in which such Obligations, interest, fees, commissions or other amounts are denominated, or calculated with respect to, (B) any central bank or other supervisor that is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Replacement Lender” is defined in Section 2.19 hereof.

“Reportable Event” means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Single Employer Plan, excluding, however, such events as to which the PBGC by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days after such event occurs.

“Request for Letter of Credit” is defined in Section 3.4(A) hereof.

“Required Lenders” means, at any time, Lenders (other than Defaulting Lenders) having Revolving Credit Obligations and unused Revolving Loan Commitments representing more than 50% of the sum of the total Revolving Credit Obligations and unused Revolving Loan Commitments at such time.

“Requirements of Law” means, as to any Person, the charter and by-laws or other organizational or governing documents of such Person, and any law, rule or regulation, or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject including, without limitation, the Securities Act, the Securities Exchange Act of 1934, Regulations T, U and X, ERISA, the Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act, Americans with Disabilities Act of 1990, rules, regulations and executive orders administered and enforced by OFAC, and any certificate of occupancy, zoning ordinance, building, environmental or land use requirement or permit or environmental, labor, employment, occupational safety or health law, rule or regulation, including Environmental, Health or Safety Requirements of Law.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Restricted Payment” means (i) any dividend or other distribution, direct or indirect, on account of any Equity Interests of the Company or any Subsidiary now or hereafter outstanding, except a dividend payable solely in the Company’s or such Subsidiary’s Capital Stock (other than

Disqualified Stock) or in options, warrants or other rights to purchase such Capital Stock, (ii) any redemption, retirement, purchase or other acquisition for value, direct or indirect, of any Equity Interests of the Company or any of its Subsidiaries now or hereafter outstanding, other than in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Subsidiary of the Company) of other Equity Interests of the Company (other than Disqualified Stock), (iii) any redemption, purchase, retirement, defeasance, prepayment or other acquisition for value, direct or indirect, of any Indebtedness subordinated to the Obligations, (iv) any payment of a claim for the rescission of the purchase or sale of, or for material damages arising from the purchase or sale of, any Indebtedness (other than the Obligations) or any Equity Interests of the Company, or any of its Subsidiaries, or of a claim for reimbursement, indemnification or contribution arising out of or related to any such claim for damages or rescission and (v) any transaction that has an effect substantially similar to the effect of any of the transactions described in the foregoing clauses (i) through (iv).

“Revolving Credit Availability” means, at any particular time, the amount by which (x) the Aggregate Revolving Loan Commitment at such time exceeds (y) the Dollar Amount of the Revolving Credit Obligations outstanding at such time.

“Revolving Credit Obligations” means, at any particular time, the sum of (i) the outstanding principal Dollar Amount of the Revolving Loans at such time, plus (ii) the outstanding principal amount of the Swing Line Loans at such time, plus (iii) the Dollar Amount of outstanding L/C Obligations at such time.

“Revolving Loan” is defined in Section 2.1 hereof.

“Revolving Loan Commitment” means, for each Lender, the obligation of such Lender to make Revolving Loans and to purchase participations in Letters of Credit and to participate in Swing Line Loans in an aggregate amount not exceeding the amount set forth on Exhibit A to this Agreement opposite its name thereon under the heading “Revolving Loan Commitment” or the signature page of the Assignment Agreement by which it became a Lender, as such amount may be modified from time to time pursuant to the terms of this Agreement or to give effect to any applicable Assignment Agreement.

“Revolving Loan Termination Date” means June 19, 2024.

“RFR” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Dollars, on and after the USD LIBOR Transition Date, SOFR and (b) British Pounds Sterling, SONIA.

“RFR Advance” means a Term RFR Advance or Daily Simple RFR Advance, as the context may require.

“RFR Business Day” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Dollars, on and after the USD LIBOR Transition Date, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States

government securities and (b) British Pounds Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London; provided, that such day is also a Business Day.

“**RFR Loan**” means a Daily Simple RFR Loan or a Term RFR Loan, as the context may require.

“**RFR Rate Day**” means any day pursuant to which any calculation of Adjusted Daily Simple RFR is made.

“**S&P**” means Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, together with its successors and assigns.

“**Sanctioned Country**” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or any European Union member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“**Sanctions**” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any European Union member state or Her Majesty’s Treasury of the United Kingdom.

“**Screen Rate**” means, for any Eurocurrency Rate Loan denominated in (a) Dollars, the USD LIBOR Rate, (b) Euros, the EURIBOR Rate, or (c) Yen, the TIBOR Rate.

“**Securities Act**” means the Securities Act of 1933, as amended from time to time.

“**Significant Domestic Incorporated Subsidiary**” means any Domestic Incorporated Subsidiary whose assets or sales represent more than 10% of the Company’s and its Subsidiaries’ Consolidated Assets or consolidated sales, with any determination of Consolidated Assets and consolidated sales based upon amounts shown in the Company’s most recently delivered annual consolidated financial statements.

“**Significant Foreign Subsidiary**” means the Foreign Subsidiary Borrowers and any other Foreign Subsidiary of the Company whose assets represent more than 10% of the Company’s and its Subsidiaries’ Consolidated Assets, with such determination of such Foreign Subsidiary’s assets and the Consolidated Assets being based upon amounts shown in the Company’s most recently delivered annual consolidated financial statements; provided that (i) with respect to any such Foreign Subsidiary which as of the Closing Date had, and thereafter continues to have, assets representing more than 3% of the Company’s and its Subsidiaries’ Consolidated Assets, such

Foreign Subsidiary shall be deemed a Significant Foreign Subsidiary and (ii) solely for purposes of determining those Foreign Subsidiaries of Foreign Subsidiary Borrowers that shall be required to become Foreign Subsidiary Guarantors in accordance with Section 5.3(E), “Significant Foreign Subsidiary” shall be deemed to mean those Foreign Subsidiaries of the Company whose assets represent more than 3% of the Company’s and its Subsidiaries’ Consolidated Assets (as determined as set forth above).

“**Significant Subsidiary**” means either a Significant Domestic Incorporated Subsidiary or a Significant Foreign Subsidiary.

“**Single Employer Plan**” means an employee benefit pension plan defined in Section 3(2) of ERISA (other than a Multiemployer Plan that is subject to Section 412 of the Code or Section 302 or Title IV of ERISA) in respect of which the Company or any member of the Controlled Group is, or within the immediately preceding six (6) years was, an “employer” as defined in Section 3(5) of ERISA or with respect to which the Company would reasonably be expected to have liability (including on account of a member of the Controlled Group).

“**SOFR**” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Adjustment**” means a percentage equal to 0.26161% (26.161 basis points) per annum.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“**SONIA**” means a rate equal to the Sterling Overnight Index Average as administered by the SONIA Administrator.

“**SONIA Adjustment**” means a percentage equal to 0.1193% per annum.

“**SONIA Administrator**” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“**SONIA Administrator’s Website**” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“**Special Notice Currency**” means, at any time, an Alternative Currency other than the currency of a country that is a member of the Organization for Economic Cooperation and Development at such time located in North America.

“Stock Repurchase Plan” means a formalized share repurchase plan or program approved by the board of directors of the Company and providing for the repurchase of the Capital Stock of the Company from its shareholders (either directly or through open market purchases).

“Subsidiary” of a Person means (i) any corporation more than fifty percent (50%) of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, limited liability company, association, joint venture or similar business organization more than fifty percent (50%) of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a “Subsidiary” means a Subsidiary of the Company.

“Subsidiary Borrower” means a Domestic Subsidiary Borrower or a Foreign Subsidiary Borrower.

“Subsidiary Guarantors” means the Domestic Subsidiary Guarantors and the Foreign Subsidiary Guarantors, together with their respective successors and assigns.

“Swing Line Bank” means Wells Fargo or any other Lender as a successor Swing Line Bank pursuant to the terms hereof.

“Swing Line Commitment” means the obligation of the Swing Line Bank to make Swing Line Loans to any Borrower up to a maximum principal amount of \$75,000,000 at any one time outstanding.

“Swing Line Currency” means (i) Dollars, and (ii) so long as such currency remains an Eligible Currency, British Pounds Sterling and euro.

“Swing Line Exposure” means, at any time, the aggregate principal amount of all Swing Line Loans outstanding at such time. The Swing Line Exposure of any Lender shall be its Pro Rata Share of the total Swing Line Exposure at such time.

“Swing Line Loan” means a Loan made available to a Borrower by the Swing Line Bank pursuant to Section 2.2 hereof.

“Swing Line Repayment Date” is defined in Section 2.2(D).

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system (or, if such payment system ceases to be operative, such other payment system (if any) reasonably determined by the Administrative Agent to be a suitable replacement) for the settlement of payments in euro.

“TARGET2 Day” means a day that TARGET2 is open for the settlement of payments in euro.

“Taxes” is defined in Section 2.14(E)(i) hereof.

“Term RFR Advance” an Advance which bears interest at the Term RFR Rate other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Term RFR” means, with respect to any Agreed Currency for any Interest Period, a rate per annum equal to (a) for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, Adjusted Term SOFR and (b) for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, British Pounds Sterling, the greater of (i) the forward-looking term rate for a period comparable to such Interest Period based on the RFR for such Agreed Currency that is published by an authorized benchmark administrator and is displayed on a screen or other information service, each as identified or selected by the Administrative Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of such Interest Period determined by the Administrative Agent in its reasonable discretion in a manner substantially consistent with market practice and (ii) the Floor.

“Term RFR Loan” means any Loan that bears interest at a rate based on Term RFR Rate other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Term RFR Notice” means a notification by the Administrative Agent to the Lenders and the Company of the occurrence of a Term RFR Transition Event.

“Term RFR Rate” means, with respect to a Term RFR Loan or Advance for the relevant Interest Period, the Term RFR applicable to such Interest Period plus the Applicable Eurocurrency/RFR Margin then in effect.

“Term RFR Transition Date” means, in the case of a Term RFR Transition Event, the date that is thirty (30) calendar days after the Administrative Agent has provided the related Term RFR Notice to the Lenders and the Company pursuant to Section 4.3(c)(i) (C).

“Term RFR Transition Event” means, with respect to any Agreed Currency for any Interest Period, the determination by the Administrative Agent that (a) the applicable Term RFR for such Agreed Currency has been recommended for use by the Relevant Governmental Body and (b) the administration of such Term RFR is administratively feasible for the Administrative Agent.

“Term SOFR” means, for any Available Tenor and Interest Period, a rate per annum equal to the forward-looking term rate for a period comparable to such Available Tenor based on the SOFR that is published by an authorized benchmark administrator and is displayed on a screen or other information service, each as identified or selected by the Administrative Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of such Interest Period determined by the Administrative Agent in its reasonable discretion in a manner substantially consistent with market practice.

“Term SOFR Adjustment” means, for any calculation with respect to a Floating Rate Loan (when such rate is determined pursuant to clause (c) of the definition of “Alternate Base Rate”) or a Term RFR Loan, a percentage per annum as set forth below for the applicable type of such Loan and (if applicable) Interest Period therefor:

Floating Rate Loans (when such rate is determined pursuant to clause (c) of the definition of “Alternate Base Rate”):

0.11448%

Term RFR Loans:

<u>Interest Period</u>	<u>Percentage</u>
One month	0.11448%
Three months	0.26161%
Six months	0.42826%

“**Termination Date**” means the earlier of (a) the Revolving Loan Termination Date, and (b) the date of termination in whole of the Aggregate Revolving Loan Commitment pursuant to Section 2.5 hereof or the Revolving Loan Commitments pursuant to Section 9.1 hereof.

“**Termination Event**” means (i) a Reportable Event with respect to any Single Employer Plan; (ii) the withdrawal of the Company or any member of the Controlled Group from a Single Employer Plan during a plan year in which the Company or such Controlled Group member was a “substantial employer” as defined in Section 4001(a)(2) of ERISA with respect to such Single Employer Plan; (iii) the imposition of an obligation under Section 4041 of ERISA to provide affected parties written notice of intent to terminate a Single Employer Plan in a distress termination described in Section 4041(c) of ERISA; (iv) the institution by the PBGC of proceedings to terminate or appoint a trustee to administer a Single Employer Plan; (v) any event or condition which would constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Single Employer Plan; or (vi) the partial or complete withdrawal of the Company or any member of the Controlled Group from a Multiemployer Plan.

“**TIBOR**” has the meaning assigned thereto in the definition of “Eurocurrency Rate”.

“**TIBOR Rate**” has the meaning assigned thereto in the definition of “Eurocurrency Rate”.

“**Transferee**” is defined in Section 13.4.

“**Transitional Letter of Credit**” is defined in Section 3.2.

“**Type**” means, with respect to any Loan, its nature as (i) with respect to Loans denominated in Dollars, (A) Floating Rate Loans or (B) (I) prior to the USD LIBOR Transition Date, Eurocurrency Rate Loans or (II) on and after the USD LIBOR Transition Date, (1) if the Unadjusted Benchmark Replacement that has replaced USD LIBOR pursuant to Section 4.3(c)(i) is Adjusted Daily Simple RFR for Dollars, then (x) prior to the Term RFR Transition Date for Dollars, Daily Simple RFR Loans or (y) on and after the Term RFR Transition Date for Dollars,

Term RFR Loans or (2) if the Unadjusted Benchmark Replacement that has replaced USD LIBOR pursuant to Section 4.3(c)(i) is Adjusted Term SOFR, Term RFR Loans, (ii) with respect to Loans denominated in Euros or Yen, Eurocurrency Rate Loans or (iii) with respect to Loans denominated in British Pounds Sterling, (A) prior to the Term RFR Transition Date for such Agreed Currency, Daily Simple RFR Loans or (B) on and after the Term RFR Transition Date for such Agreed Currency, Term RFR Loans, each as further provided herein.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

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

“Unmatured Default” means an event which, but for the lapse of time or the giving of notice, or both, would constitute a Default.

“Unrestricted Domestic Cash Amount” means, as of any date of determination, that portion of the Company’s and its consolidated Subsidiaries’ (other than Foreign Subsidiary Borrowers’) aggregate cash and Cash Equivalents in excess of \$10,000,000 that is in the United States of America and that is not encumbered by or subject to any Lien (including, without limitation, any Lien permitted hereunder), setoff (other than ordinary course setoff rights of a depository bank arising under a bank depository agreement for customary fees, charges and other account-related expenses due to such depository bank thereunder), counterclaim, recoupment, defense or other right in favor of any Person; provided, however, that notwithstanding the actual amount of the Unrestricted Domestic Cash Amount, no more than \$20,000,000 of the Unrestricted Domestic Cash Amount may be deducted in the calculation of Net Domestic Indebtedness.

“Unrestricted Foreign Subsidiary Borrower Cash Amount” means, as of any date of determination, that portion of the Foreign Subsidiary Borrowers’ aggregate cash and Cash Equivalents in excess of \$10,000,000 that is not encumbered by or subject to any Lien (including, without limitation, any Lien permitted hereunder), setoff (other than ordinary course setoff rights of a depository bank arising under a bank depository agreement for customary fees, charges and other account-related expenses due to such depository bank thereunder), counterclaim, recoupment, defense or other right in favor of any Person; provided, however, that notwithstanding the actual amount of the Unrestricted Foreign Subsidiary Borrower Cash Amount, no more than \$20,000,000 of the Unrestricted Foreign Subsidiary Borrower Cash Amount may be deducted in the calculation of Net Foreign Subsidiary Borrower Indebtedness.

“USD LIBOR” has the meaning assigned thereto in the definition of “Eurocurrency Base Rate”.

“USD LIBOR Rate” has the meaning assigned thereto in the definition of “Eurocurrency Base Rate”.

“USD LIBOR Transition Date” means, the earlier of (a) the date that all Available Tenors of USD LIBOR have either (i) permanently or indefinitely ceased to be provided by IBA; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of USD LIBOR or (ii) been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (b) the Early Opt-in Effective Date, so long as, in the case of (a) or (b), a Benchmark Replacement has not as of such date replaced the Adjusted Eurocurrency Rate for Dollars pursuant to Section 4.3(c) (i) as the result of an Other Benchmark Rate Election.

“Weighted Average Life to Maturity” means when applied to any Indebtedness at any date, the number of years obtained by dividing (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (ii) the then outstanding principal amount of such Indebtedness.

“Wells Fargo” means Wells Fargo Bank, National Association, in its individual capacity, and its successors.

“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.

“Woodward Aken” means Woodward Aken GmbH, a limited liability company under the laws of the Federal Republic of Germany, registered with the commercial register kept at the local court of Stendal under registration number HRB 10125.

“Woodward Kempen” means Woodward Kempen GmbH, a limited liability company under the laws of the Federal Republic of Germany, registered with the commercial register kept at the local court of Krefeld under registration number HRB 13089.

“Write-Down and Conversion Powers” means (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with generally accepted accounting principles as in effect from time to time.

1.2 References

. Any references to Subsidiaries of the Company set forth herein with respect to representations and warranties which deal with historical matters shall be deemed to include the Company and its Subsidiaries and shall not in any way be construed as consent by the Administrative Agent or any Lender to the establishment, maintenance or acquisition of any Subsidiary, except as may otherwise be permitted hereunder.

1.3 Construction

. This Agreement is made in English language. For the avoidance of doubt, the English language version shall prevail over any translation of this Agreement. However, where a German translation or word or phrase appears in the text of this Agreement, the German meaning and the underlying German concept shall prevail. Any references made to "*own Obligations*" made in this Agreement shall, with respect to a German Obligor, refer to the direct obligations of such German Obligor with respect to amounts borrowed (including on-lent) to such German Obligor and shall not include guarantees, indemnities or other obligations in relation to amounts owed by any other Borrower or Guarantor under this Agreement.

1.4 Divisions

. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

1.5 Rates

. The interest rate on Loans denominated in Dollars or an Alternative Currency may be determined by reference to a benchmark rate that is, or may in the future become, the subject of regulatory reform or cessation. Regulators have signaled the need to use alternative reference rates for some of these benchmark rates and, as a result, such benchmark rates may cease to comply with applicable laws and regulations, may be permanently discontinued or the basis on which they are calculated may change. The London interbank offered rate, which may be one of the benchmark rates with reference to which the interest rate on Loans may be determined, is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, the ICE Benchmark Administration ("**IBA**"), the administrator of the London interbank offered rate, and the Financial Conduct Authority (the "**FCA**"), the regulatory supervisor of IBA, announced in public statements (the "**Announcements**") that the final publication or representativeness date for the London interbank offered rate for: (a) British Pounds Sterling, Yen and euros will be December 31, 2021, (b) Dollars for 1-week and 2-month tenor settings will be December 31, 2021 and (c) Dollars for overnight, 1-month, 3-month, 6-month and 12-month tenor settings will be June 30, 2023. No successor administrator for IBA was identified in such Announcements. As a result, it is possible that commencing immediately after such dates, the London interbank offered rate for such currencies and tenors may no longer be available or may no longer be deemed a representative reference rate upon which to determine the interest rate on applicable Loans. There is no assurance that the dates

set forth in the Announcements will not change or that IBA or the FCA will not take further action that could impact the availability, composition or characteristics of any London interbank offered rate. Public and private sector industry initiatives have been and continue, as of the date hereof, to be underway to implement new or alternative reference rates to be used in place of London interbank offered rates. In the event that the London interbank offered rate or any other then-current Benchmark is no longer available or in certain other circumstances set forth in Section 4.3(c), such Section 4.3(c) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Company, pursuant to Section 4.3(c), of any change to the reference rate upon which the interest rate on Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (i) the continuation of, administration of, submission of, calculation of or any other matter related to the London interbank offered rate, the rates in the definition of “Eurocurrency Base Rate” or any other Benchmark, or any component definition thereof or rates referenced in the definition thereof, or with respect to any alternative, successor or replacement rate thereto (including any then-current Benchmark or any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 4.3(c), will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (ii) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of a Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II: REVOLVING LOAN FACILITIES

2.1 Revolving Loans.

(A) Upon the satisfaction of the conditions precedent set forth in Sections 5.1 and 5.2, from and including the Closing Date and prior to the Termination Date, each Lender severally and not jointly agrees, on the terms and conditions set forth in this Agreement, to make revolving loans to the Borrowers from time to time, in Dollars or Eurocurrency Rate Loans or RFR Loans in any Agreed Currency, in a Dollar Amount not to exceed such Lender’s Pro Rata Share of Revolving Credit Availability at such time (each individually, a “**Revolving Loan**” and, collectively, the “**Revolving Loans**”); provided, however, that, after giving effect to any such Revolving Loan, the Dollar Amount of the Revolving Credit Obligations shall not exceed the Aggregate Revolving Loan Commitment. Subject to the terms of this Agreement, the Borrowers may borrow, repay and reborrow Revolving Loans at any time prior to the Termination Date. At the relevant Borrower’s

option (so long as such option is exercised in accordance with Sections 2.7 and 2.9 and the other terms and conditions of this Agreement), Revolving Loans shall be either Floating Rate Loans, Eurocurrency Rate Loans or RFR Loans. On the Termination Date, the Borrowers shall repay in full the outstanding principal balance of the Revolving Loans. Each Advance under this Section 2.1 shall consist of Revolving Loans made by each Lender ratably in proportion to such Lender's respective Pro Rata Share.

(B) Borrowing/Election Notice. In accordance with Section 2.13, the applicable Borrower (or the Company on behalf of the applicable Borrower) may telephonically request Advances hereunder, provided, however, that (i) notices relating to Loans in an Agreed Currency other than Dollars may not be delivered telephonically and (ii) immediately following any telephonic request the applicable Borrower (or the Company on behalf of the applicable Borrower) shall deliver to the Administrative Agent a written confirmation of such telephonic request. If a telephonic request is not made with respect to any Advance in accordance with Section 2.13, then the applicable Borrower (or the Company on behalf of the applicable Borrower) shall deliver to the Administrative Agent a Borrowing/Election Notice, signed by it, in accordance with the terms of Section 2.7, in order to request such Advance. In either case, the Administrative Agent shall promptly notify each Lender of such request.

(C) Making of Revolving Loans. Promptly after receipt of the Borrowing/Election Notice under Section 2.7 in respect of Revolving Loans, the Administrative Agent shall notify each Lender by telecopy, or other similar form of transmission, of the requested Revolving Loan. Each Lender shall make available its Revolving Loan in accordance with the terms of Section 2.6. The Administrative Agent will promptly make the funds so received from the Lenders available to the applicable Borrower at the Administrative Agent's office in Charlotte, North Carolina or the Administrative Agent's Eurocurrency/RFR Payment Office corresponding with the applicable Borrower on the applicable Borrowing Date and shall disburse such proceeds in accordance with such Borrower's disbursement instructions set forth in such Borrowing/Election Notice. The failure of any Lender to deposit the amount described above with the Administrative Agent on the applicable Borrowing Date shall not relieve any other Lender of its obligations hereunder to make its Revolving Loan on such Borrowing Date.

2.2 Swing Line Loans.

(A) Amount of Swing Line Loans. Upon the satisfaction of the conditions precedent set forth in Section 5.1 and 5.2, from and including the Closing Date and prior to the Termination Date, the Swing Line Bank agrees, on the terms and conditions set forth in this Agreement, to make swing line loans to the Company from time to time, in Swing Line Currencies, in a Dollar Amount not to exceed the Swing Line Commitment (each, individually, a "**Swing Line Loan**" and collectively, the "**Swing Line Loans**"); provided, however, at no time shall the Dollar Amount of the Revolving Credit Obligations exceed the Aggregate Revolving Loan Commitment; and provided, further, that at no time shall the sum of (a) the Dollar Amount of the Swing Line Bank's Pro Rata Share of the Swing Line Loans, plus (b) the outstanding Dollar Amount of Revolving Loans made by the Swing Line Bank pursuant to Section 2.1, exceed the Swing Line Bank's Revolving Loan Commitment at such time. Subject to the terms of this Agreement, the Borrowers may borrow, repay and reborrow Swing Line Loans at any time prior to the Termination Date.

(B) Borrowing/Election Notice. The Company shall deliver to the Administrative Agent and the Swing Line Bank a Borrowing/Election Notice, signed by it, not later than (x) in the case of a Borrowing/Election Notice in respect of a Dollar denominated Swing Line Loan, 1:00 p.m. (Chicago time) on the Borrowing Date of each such Swing Line Loan and (y) in the case of a Borrowing/Election Notice in respect of a Swing Line Loan denominated in any other Swing Line Currency, if any, 1:00 p.m. (Chicago time) one (1) Business Day prior to the Borrowing Date of each such Swing Line Loan, specifying (i) the applicable Borrowing Date (which date shall be a Business Day and which may be the same date, only in the case of a Borrowing/Election Notice in respect of a Dollar denominated Swing Line Loan, as the date the Borrowing/Election Notice is given), (ii) the requested Swing Line Currency, and (iii) the aggregate amount of the requested Swing Line Loan which shall be not less than \$100,000 (or the approximate Equivalent Amount of any Swing Line Currency other than Dollars).

(C) Making of Swing Line Loans. Promptly after receipt of the Borrowing/Election Notice under Section 2.2(B) in respect of Swing Line Loans, the Administrative Agent shall notify each Lender by telecopy, or other similar form of transmission, of the requested Swing Line Loan. Not later than 2:00 p.m. (Chicago time) on the applicable Borrowing Date, the Swing Line Bank shall make available its Swing Line Loan, in funds immediately available in Chicago to the Administrative Agent at its address specified pursuant to Article XIV. The Administrative Agent will promptly make the funds so received from the Swing Line Bank available to the Company on the Borrowing Date at the Administrative Agent's aforesaid address.

(D) Repayment of Swing Line Loans. Each Swing Line Loan shall be paid in full by the applicable Borrower on or before the later to occur of (x) the fifth (5th) Business Day after the Borrowing Date for such Swing Line Loan and (y) such other Business Day as may be agreed to in writing by the Company and the Swing Line Bank (the "**Swing Line Repayment Date**"). The Company may at any time pay, without penalty or premium, all outstanding Swing Line Loans or, in a minimum amount of \$100,000 (or the approximate Equivalent Amount of any Swing Line Currency other than Dollars) and increments of \$100,000 (or the approximate Equivalent Amount of any Swing Line Currency other than Dollars) in excess thereof, any portion of the outstanding Swing Line Loans, upon same-day notice to the Administrative Agent and the Swing Line Bank. In addition, the Administrative Agent (i) may at any time in its sole discretion with respect to any outstanding Swing Line Loan, or (ii) shall on the Swing Line Repayment Date require each Lender (including the Swing Line Bank) to make a Revolving Loan in Dollars in the Dollar Amount of such Lender's Pro Rata Share of such Swing Line Loan, for the purpose of repaying such Swing Line Loan. No later than 2:00 p.m. (Chicago time) on the date of any notice received pursuant to this Section 2.2(D), each Lender shall make available its required Revolving Loan or Revolving Loans, in funds immediately available in Chicago to the Administrative Agent at its address specified pursuant to Article XIV. Revolving Loans made pursuant to this Section 2.2(D) shall initially be Floating Rate Loans and thereafter may be continued as Floating Rate Loans or converted into Eurocurrency Rate Loans or RFR Loans in the manner provided in Section 2.9 and subject to the other conditions and limitations therein set forth and set forth in this Article II. Unless a Lender shall have notified the Swing Line Bank, prior to its making any Swing Line Loan, that any applicable condition precedent set forth in Sections 5.1 and 5.2 had not then been satisfied, such Lender's obligation to make Revolving Loans pursuant to this Section 2.2(D) to repay Swing Line Loans shall be unconditional, continuing, irrevocable and absolute and shall not

be affected by any circumstances, including, without limitation, (a) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against the Administrative Agent, the Swing Line Bank or any other Person, (b) the occurrence or continuance of a Default or Unmatured Default, (c) any adverse change in the condition (financial or otherwise) of the Company and/or its Subsidiaries, or (d) any other circumstances, happening or event whatsoever. In the event that any Lender fails to make payment to the Administrative Agent of any amount due under this Section 2.2(D), the Administrative Agent shall be entitled to receive, retain and apply against such obligation the principal and interest otherwise payable to such Lender hereunder until the Administrative Agent receives such payment from such Lender or such obligation is otherwise fully satisfied. In addition to the foregoing, if for any reason any Lender fails to make payment to the Administrative Agent of any amount due under this Section 2.2(D), such Lender shall be deemed, at the option of the Administrative Agent, to have unconditionally and irrevocably purchased from the Swing Line Bank, without recourse or warranty, an undivided interest and participation in the applicable Swing Line Loan in the amount of such Revolving Loan, and such interest and participation may be recovered from such Lender together with interest thereon at the Overnight Rate for each day during the period commencing on the date of demand and ending on the date such amount is received. On the Termination Date, the Company shall repay in full the outstanding principal balance of the Swing Line Loans.

2.3 Rate Options for all Advances; Maximum Interest Periods

. Any Dollar denominated Swing Line Loans shall be Floating Rate Advances or shall bear interest at such other rate as may be agreed to between the Company and the Swing Line Bank at the time of the making of any such Swing Line Loan. Any Swing Line Loans denominated in any other Swing Line Currency, if any, shall bear interest at such other rate as may be agreed to between the Company and the Swing Line Bank at the time of the making of any such Swing Line Loan. The Revolving Loans may be Floating Rate Advances, Eurocurrency Rate Advances or RFR Advances, or a combination thereof, selected by the applicable Borrower in accordance with Section 2.9; provided, however, that Revolving Loans denominated in any Agreed Currency other than Dollars may only be Eurocurrency Rate Advances or RFR Advances. The applicable Borrower may select, in accordance with Section 2.9, Rate Options and Interest Periods applicable to portions of the Revolving Loans; provided, that there shall be no more than eight (8) Interest Periods in effect with respect to all of the Loans (and each outstanding RFR Loan shall constitute use of one Interest Period for purposes hereof) at any time.

2.4 Optional Payments; Mandatory Prepayments.

(A) Optional Payments. Each Borrower may from time to time and at any time upon at least one (1) Business Day's prior written notice repay or prepay, without penalty or premium all or any part of its outstanding Floating Rate Advances in an aggregate minimum amount of \$1,000,000 and in integral multiples of \$100,000 in excess thereof; provided that Swing Line Loans may be paid on same-day notice. Eurocurrency Rate Advances and Term RFR Advances may be voluntarily repaid or prepaid prior to the last day of the applicable Interest Period and Daily Simple RFR Advances may be voluntarily repaid or prepaid prior to the applicable Payment Date, subject to the indemnification provisions contained in Section 4.4 in an aggregate minimum amount of \$5,000,000 and in integral multiples of \$1,000,000 in excess thereof (or, if less, in the full amount of any Loan), provided, that a Borrower may not so prepay Eurocurrency Rate

Advances or RFR Advances unless it shall have provided at least (a) in the case of a Daily Simple RFR Loan denominated in Dollars, at least five (5) RFR Business Days prior written notice to the Administrative Agent before prepayment of such Daily Simple RFR Loan, (b) in the case of a Term RFR Loan denominated in Dollars, at least three (3) RFR Business Days prior written notice to the Administrative Agent before prepayment of such Term RFR Loan, (c) in the case of a Eurocurrency Rate Loan denominated in Dollars, at least three (3) Eurocurrency Banking Days prior written notice to the Administrative Agent before prepayment of such Eurocurrency Rate Loan, (d) in the case of an RFR Loan denominated in any Alternative Currency, at least five (5) RFR Business Days prior written notice to the Administrative Agent before prepayment of such RFR Loan, and (e) in the case of a Eurocurrency Rate Loan denominated in any Alternative Currency, at least four (4) Eurocurrency Banking Days prior written notice to the Administrative Agent before prepayment of such Eurocurrency Rate Loan (or five (5) Eurocurrency Banking Days in the case of a prepayment of Eurocurrency Rate Loans denominated in a Special Notice Currency).

(B) Mandatory Prepayments of Revolving Loans.

(i) If at any time and for any reason (other than fluctuations in currency exchange rates) the Dollar Amount of the Revolving Credit Obligations are greater than the Aggregate Revolving Loan Commitment, the Borrowers shall immediately make a mandatory prepayment of the Obligations in an amount equal to such excess.

(ii) If at any time the Dollar Amount of the Revolving Credit Obligations exceeds one hundred five percent (105%) of the Aggregate Revolving Loan Commitment, whether as a result of fluctuations in currency exchange rates, or otherwise, the Borrowers for the ratable benefit of the Lenders shall immediately prepay Loans in an aggregate amount such that after giving effect thereto the Dollar Amount of the Revolving Credit Obligations is less than or equal to the Aggregate Revolving Loan Commitments.

2.5 Reduction of Commitments

. The Borrowers may permanently reduce the Aggregate Revolving Loan Commitment in whole, or in part ratably among the Lenders, in an aggregate minimum amount of \$5,000,000 with respect thereto and integral multiples of \$1,000,000 in excess of that amount with respect thereto (unless the Aggregate Revolving Loan Commitment is reduced in whole), upon at least three (3) Business Days' prior written notice to the Administrative Agent (or at least four (4) Business Days if a concurrent prepayment in an Agreed Currency other than Dollars is requested), which notice shall specify the amount of any such reduction; provided, however, that the amount of the Aggregate Revolving Loan Commitment may not be reduced below the aggregate principal Dollar Amount of the outstanding Revolving Credit Obligations. All accrued unused fees shall be payable on the effective date of any termination of the obligations of the Lenders to make Loans hereunder.

2.6 Method of Borrowing

. Not later than 1:00 p.m. (Chicago time) on each Borrowing Date, each Lender shall make available its Revolving Loan in immediately available funds in the Agreed Currency to the Administrative Agent at its address specified pursuant to Article XIV, unless the Administrative Agent has notified the Lenders that such Loan is to be made available

to the applicable Borrower at the Administrative Agent's Eurocurrency/RFR Payment Office, in which case each Lender shall make available its Loan or Loans, in funds immediately available to the Administrative Agent at its Eurocurrency/RFR Payment Office, not later than 1:00 p.m. (local time in the city of the Administrative Agent's Eurocurrency/RFR Payment Office) in the Agreed Currency designated by the Administrative Agent. The Administrative Agent will promptly make the funds so received from the Lenders available to the applicable Borrower at the Administrative Agent's aforesaid address or, with respect to any Loan to a Foreign Subsidiary Borrower, into a designated account in such Foreign Subsidiary Borrower's jurisdiction of organization, as applicable.

2.7 Method of Selecting Types, Currency and Interest Periods for Advances

. The applicable Borrower (or the Company on the applicable Borrower's behalf) shall select the Type of Advance and, in the case of each Eurocurrency Rate Advance or Term RFR Advance, the Interest Period (if applicable) and Agreed Currency applicable to each Advance from time to time. The applicable Borrower shall give the Administrative Agent irrevocable notice in substantially the form of Exhibit B hereto (a "**Borrowing/Election Notice**") not later than 12:00 noon (Chicago time) (a) on the Borrowing Date of each Floating Rate Advance, (b) in the case of a Daily Simple RFR Loan denominated in Dollars, at least five (5) RFR Business Days before such Daily Simple RFR Loan, (c) in the case of a Term RFR Loan denominated in Dollars, at least three (3) RFR Business Days before such Daily Simple RFR Loan, (d) in the case of a Eurocurrency Rate Loan denominated in Dollars, at least three (3) Eurocurrency Banking Days before such Eurocurrency Rate Loan, (e) in the case of an RFR Loan denominated in any Alternative Currency, at least five (5) RFR Business Days before such RFR Loan, and (f) in the case of a Eurocurrency Rate Loan denominated in any Alternative Currency, at least four (4) Eurocurrency Banking Days before such Eurocurrency Rate Loan (or five (5) Eurocurrency Banking Days in the case of a Special Notice Currency), specifying: (i) the Borrowing Date (which shall be a Business Day) of such Advance; (ii) the aggregate amount of such Advance; (iii) the Type of Advance selected; and (iv) in the case of each Eurocurrency Rate Advance and RFR Advance, the Interest Period (if applicable) and Agreed Currency applicable thereto. Each Floating Rate Advance and all Obligations other than Loans shall bear interest from and including the date of the making of such Advance, in the case of Loans, and the date such Obligation is due and owing in the case of such other Obligations, to (but not including) the date of repayment thereof at the Floating Rate changing when and as such Floating Rate changes. Changes in the rate of interest on that portion of any Advance maintained as a Floating Rate Loan will take effect simultaneously with each change in the Alternate Base Rate. Each Daily Simple RFR Advance shall bear interest from and including the date of the making of such Advance to (but not including) the Payment Date at the Daily Simple Rate changing when and as such Daily Simple Rate changes pursuant to the terms and conditions set forth herein. Each Eurocurrency Rate Advance or Term RFR Advance shall bear interest from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at the interest rate determined as applicable to such Eurocurrency Rate Advance or Term RFR Advance.

2.8 Minimum Amount of Each Advance

. Each Advance (other than an Advance to repay Swing Line Loans or a Reimbursement Obligation) shall be in the minimum amount of \$5,000,000 (or the approximate Equivalent Amount of any Agreed Currency other than Dollars) and in multiples of \$1,000,000 (or the approximate Equivalent Amount of any Agreed Currency).

other than Dollars) if in excess thereof; provided, however, that any Floating Rate Advance may be in the amount of the unused Aggregate Revolving Loan Commitment.

2.9 Method of Selecting Types, Currency and Interest Periods for Conversion and Continuation of Advances.

(A) Right to Convert. Each Borrower may elect from time to time, subject to the provisions of Section 2.3 and this Section 2.9, to convert all or any part of a Loan of any Type into any other Type or Types of Loan; provided that (x) any conversion of any Eurocurrency Rate Advance or Term RFR Advance shall be made on, and only on, the last day of the Interest Period applicable thereto and (y) any conversion of any Daily Simple RFR Advance shall be made on, and only on, the occurrence of the Payment Date therefor.

(B) Automatic Conversion and Continuation. Floating Rate Loans shall continue as Floating Rate Loans unless and until such Floating Rate Loans are converted into Eurocurrency Rate Loans or RFR Loans. Eurocurrency Rate Loans and Term RFR Loans in Dollars shall continue as Eurocurrency Rate Loans or Term RFR Loans in Dollars until the end of the then applicable Interest Period therefor, at which time such Eurocurrency Rate Loans or Term RFR Loans shall be automatically converted into Floating Rate Loans unless the applicable Borrower shall have given the Administrative Agent notice in accordance with Section 2.9(D) requesting that, at the end of such Interest Period, such Eurocurrency Rate Loans or Term RFR Loans continue as a Eurocurrency Rate Loan or Term RFR Loans. Daily Simple RFR Loans in Dollars shall continue as Daily Simple RFR Loans in Dollars until the applicable Payment Date therefor, at which time such Daily Simple RFR Loan shall be automatically converted into Floating Rate Loans unless the applicable Borrower shall have given the Administrative Agent notice in accordance with Section 2.9(D) requesting that, at the as of such Payment Date, such Daily Simple RFR Loan continue as a Daily Simple RFR Loan. Unless a Borrowing/Election Notice shall have timely been given in accordance with the terms of this Section 2.9, (x) Eurocurrency Rate Advances and Term RFR Advances in an Agreed Currency other than Dollars shall automatically continue as Eurocurrency Rate Advances or Term RFR Advances in the same Agreed Currency with an Interest Period of one (1) month and (y) Daily Simple RFR Advances in an Agreed Currency other than Dollars shall automatically continue as RFR Advances in the same Agreed Currency until the next Payment Date.

(C) No Conversion Post-Default; Limited Conversion Post-Unmatured Default. Notwithstanding anything to the contrary contained in Section 2.9(A) or Section 2.9(B), (x) no Loan may be converted into or continued as a Eurocurrency Rate Loan or RFR Loan (except with the consent of the Required Lenders) when any Default has occurred and is continuing and (y) no Loan may be converted into or continued as a Eurocurrency Rate Loan or Term RFR Loan with an Interest Period greater than one month (except with the consent of the Required Lenders) when any Unmatured Default has occurred and is continuing.

(D) Borrowing/Election Notice. Subject to clause (B) above, each Borrower shall give the Administrative Agent an irrevocable Borrowing/Election Notice of each conversion of a Floating Rate Loan into a Eurocurrency Rate Loan or RFR Loan or continuation of a Eurocurrency Rate Loan or RFR Loan not later than 12:00 noon (Chicago time) (i) in the case of a Loan denominated in Dollars that is to be a Daily Simple RFR Loan, at least five (5) RFR Business Days

before the day on which a proposed conversion or continuation of such Loan is to be effective, (ii) in the case of a Loan denominated in Dollars that is to be a Term RFR Loan, at least three (3) RFR Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective, (iii) in the case of a Loan denominated in Dollars that is to be a Eurocurrency Rate Loan, at least three (3) Eurocurrency Banking Days before the day on which a proposed conversion or continuation of such Loan is to be effective, (iv) in the case of a Loan denominated in any Alternative Currency that is to be an RFR Loan, at least five (5) RFR Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective, and (v) in the case of a Loan denominated in any Alternative Currency that is to be a Eurocurrency Rate Loan, at least four (4) Eurocurrency Banking Days (or five (5) Eurocurrency Banking Days in the case of a Special Notice Currency) before the day on which a proposed conversion or continuation of such Loan is to be effective, in each case, specifying: (x) the requested date (which shall be a Business Day) of such conversion or continuation; (y) the amount and Type of the Loan to be converted or continued; and (z) the amount of Eurocurrency Rate Loan(s) or RFR Loan(s) into which such Loan is to be converted or continued, the Agreed Currency, and, in the case of any Eurocurrency Rate Loan or Term RFR Loan to be converted or continued, the duration of the Interest Period applicable thereto.

2.10 Default Rate

. Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by any Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section, (ii) in the case of any other amount, 2% plus the rate applicable to Floating Rate Loans as provided in paragraph (a) of this Section and (iii) in the case of the fee described in Section 3.8(A), 2% plus the then Applicable L/C Fee Percentage.

2.11 Method of Payment

. (A) All payments of principal, interest, fees, commissions and L/C Obligations hereunder shall be made, without setoff, deduction or counterclaim (unless indicated otherwise in Section 2.14(E)), in immediately available funds to the Administrative Agent (i) at the Administrative Agent's address specified pursuant to Article XIV with respect to Advances or other Obligations denominated in Dollars and (ii) at the Administrative Agent's applicable Eurocurrency/RFR Payment Office with respect to any Advance or other Obligations denominated in an Agreed Currency other than Dollars or payments made by a Foreign Subsidiary Borrower, or at any other Lending Installation of the Administrative Agent specified in writing by the Administrative Agent to the applicable Borrower, by 1:00 p.m. (Chicago time) or, with respect to payments covered by clause (ii), 1:00 p.m. local time in the city of the applicable Eurocurrency/RFR Payment Office on the date when due and shall be made ratably among the Lenders (unless such amount is not to be shared ratably in accordance with the terms hereof). Each Advance shall be repaid or prepaid in the Agreed Currency in which it was made in the amount borrowed and interest payable thereon shall also be paid in such currency. Each payment delivered to the Administrative Agent for the account of any Lender shall be delivered promptly by the Administrative Agent to such Lender in the same type of funds which the Administrative Agent received at its address specified pursuant to Article XIV or at any Lending Installation specified in a notice received by the Administrative Agent from such Lender. Any payment owing by a Borrower to a Lender shall be deemed to have been paid to such Lender by such Borrower upon

the Administrative Agent's receipt of such payment from such Borrower. Each Borrower authorizes the Administrative Agent to charge the account of such Borrower maintained with Wells Fargo for each payment of principal, interest, fees, commissions and L/C Obligations as it becomes due hereunder; provided, that the Administrative Agent promptly notifies the Company thereof. Each reference to the Administrative Agent in this Section 2.11 shall also be deemed to refer, and shall apply equally, to each Issuing Bank, in the case of payments required to be made by a Borrower to any Issuing Bank pursuant to Article III.

(A) Notwithstanding the foregoing provisions of this Section, if, after the making of any Advance in any currency other than Dollars, currency control or exchange regulations are imposed in the country which issues such Agreed Currency with the result that different types of such Agreed Currency (the "**New Currency**") are introduced and the type of currency in which the Advance was made (the "**Original Currency**") no longer exists or the applicable Borrower is not able to make payment to the Administrative Agent for the account of the Lenders in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall be made to the Administrative Agent in such amount and such type of the New Currency or Dollars as shall be equivalent to the amount of such payment otherwise due hereunder in the Original Currency. In addition, notwithstanding the foregoing provisions of this Section, if, after the making of any Advance in any currency other than Dollars, the applicable Borrower is not able to make payment to the Administrative Agent for the account of the Lenders in the type of currency in which such Advance was made because of the imposition of any such currency control or exchange regulation, then such Advance shall instead be repaid when due in Dollars in a principal amount equal to the Dollar Amount (as of the date of repayment) of such Advance.

2.12 Evidence of Debt.

(A) Loan Account. Each Lender shall maintain in accordance with its usual practice an account or accounts (a "**Loan Account**") evidencing the indebtedness of the Borrowers to such Lender owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(B) Register. The Register maintained by the Administrative Agent pursuant to Section 13.3(D) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and the amount of each Loan made hereunder, the Type thereof and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder, (iii) the effective date and amount of each Assignment Agreement delivered to and accepted by it and the parties thereto pursuant to Section 13.3, (iv) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof, and (v) all other appropriate debits and credits as provided in this Agreement, including, without limitation, all fees, charges, expenses and interest.

(C) Entries in Loan Account and Register. The entries made in the Loan Account, the Register and the other accounts maintained pursuant to subsections (A) or (B) of this Section shall be conclusive and binding for all purposes, absent manifest error, gross negligence or willful misconduct, unless the applicable Borrower objects to information contained in the Loan Accounts, the Register or the other accounts within forty-five (45) days of such Borrower's receipt

of such information; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(D) Notes Upon Request. Any Lender may request that the Loans made by it each be evidenced by a promissory note in substantially the form of Exhibit J to evidence such Lender's Revolving Loans. In such event, the applicable Borrower shall prepare, execute and deliver to such Lender such a promissory note for such Loans payable to such Lender. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 13.3) be represented by one or more promissory notes in such form payable to the payee named therein.

2.13 Telephonic Notices

. Each Borrower authorizes the Lenders and the Administrative Agent to extend Advances, effect selections of Types of Advances and to transfer funds based on telephonic notices made by any person or persons the Administrative Agent or any Lender in good faith believes to be acting on behalf of such Borrower pursuant to a telephonic notice provided to the Administrative Agent under Section 2.1(B). Each Borrower agrees to deliver promptly to the Administrative Agent a written confirmation, signed by an Authorized Signer (or such other Person designated in writing to the Administrative Agent by an Authorized Signer so long as such other Person is also permitted to make such delivery under such Borrower's organizational documents), of each telephonic notice. If the written confirmation differs in any material respect from the action taken by the Administrative Agent and the Lenders, the records of the Administrative Agent and the Lenders shall govern absent manifest error, gross negligence or willful misconduct. In case of disagreement concerning such notices, if the Administrative Agent has recorded telephonic borrowing notices, such recordings will be made available to each Borrower upon such Borrower's request therefor.

2.14 Promise to Pay; Interest and Unused Fees; Interest Payment Dates; Interest and Fee Basis; Taxes.

(A) Promise to Pay. Each Borrower unconditionally promises to pay when due the principal amount of each Loan incurred by it and all other Obligations incurred by it, and to pay all unpaid interest accrued thereon, in accordance with the terms of this Agreement and the other Loan Documents.

(B) Interest Payment Dates. Interest accrued on each Floating Rate Loan and Daily Simple RFR Loan shall be payable on each Payment Date, commencing with the first such date to occur after the date hereof, upon any prepayment whether by acceleration or otherwise, and at maturity (whether by acceleration or otherwise). Interest accrued on each Fixed-Rate Loan shall be payable on the last day of its applicable Interest Period, on any date on which such Fixed-Rate Loan is prepaid, whether by acceleration or otherwise, and at maturity. Interest accrued on each Fixed-Rate Loan having an Interest Period longer than three months shall also be payable on the last day of each three-month interval during such Interest Period. Interest accrued on the principal balance of all other Obligations shall be payable in arrears (i) on each Payment Date, commencing on the first such Payment Date following the incurrence of such Obligations, (ii) upon repayment thereof in full or in part, and (iii) if not theretofore paid in full, at the time such other Obligations become due and payable (whether by acceleration or otherwise).

(C) Fees.

(i) The Company shall pay to the Administrative Agent, for the account of the Lenders in accordance with their Pro Rata Shares, from and after the date of this Agreement until the date on which the Aggregate Revolving Loan Commitment shall be terminated in whole, an unused fee accruing at the rate of the then Applicable Unused Fee Percentage, on the average daily excess of the Aggregate Revolving Loan Commitment over the Dollar Amount of the outstanding Revolving Credit Obligations (excluding any drawn Swing Line Loans). All such unused fees payable under this clause (C)(i) shall be payable quarterly in arrears on each Payment Date occurring after the date of this Agreement (with the first such payment being calculated for the period from the Closing Date and ending on September 30, 2019, and, in addition, on the date on which the Aggregate Revolving Loan Commitment shall be terminated in whole.

(ii) The Company agrees to pay the fees set forth in the Fee Letters at the times and in the amounts set forth therein.

(D) Interest and Fee Basis: Applicable Eurocurrency/RFR Margin, Applicable Floating Rate Margin, Applicable L/C Fee Percentage and Applicable Unused Fee Percentage.

(i) All computations of interest for Floating Rate Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of Obligations and interest provided hereunder shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365/366-day year), except that interest on Loans denominated in any Alternative Currency as to which market practice differs from the foregoing shall be computed in accordance with market practice for such Loans. Interest shall be payable for the day an Obligation is incurred but not for the day of any payment on the amount paid if payment is received prior to 2:00 p.m. (local time) at the place of payment. If any payment of principal of or interest on a Loan or any payment of any other Obligations shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest, fees and commissions in connection with such payment.

(ii) The Applicable Eurocurrency/RFR Margin, Applicable Floating Rate Margin, Applicable L/C Fee Percentage and Applicable Unused Fee Percentage shall be determined on the basis of the then applicable Pricing Grid Leverage Ratio as described in this Section 2.14(D)(ii), from time to time by reference to the following table:

Applicable Margin	Level I Status	Level II Status	Level III Status	Level IV Status	Level V Status	Level VI Status
	(Pricing Grid Leverage Ratio is less than or equal to 1.25 to 1.0)	(Pricing Grid Leverage Ratio is greater than 1.25 to 1.0 and less than or equal to 1.75 to 1.0)	(Pricing Grid Leverage Ratio is greater than 1.75 to 1.0 and less than or equal to 2.25 to 1.0)	(Pricing Grid Leverage Ratio is greater than 2.25 to 1.0 and less than or equal to 2.75 to 1.0)	(Pricing Grid Leverage Ratio is greater than 2.75 to 1.0 and less than or equal to 3.50 to 1.0)	(Pricing Grid Leverage Ratio is greater than 3.50 to 1.0)

<i>Applicable Eurocurrency/RFR Margin and L/C Fee Percentage</i>	<i>0.875%</i>	<i>1.00%</i>	<i>1.125%</i>	<i>1.25%</i>	<i>1.50%</i>	<i>1.75%</i>
<i>Applicable Unused Fee Percentage</i>	<i>0.125%</i>	<i>0.15%</i>	<i>0.165%</i>	<i>0.175%</i>	<i>0.20%</i>	<i>0.225%</i>
<i>Applicable Floating Rate Margin</i>	<i>0%</i>	<i>0%</i>	<i>0.125%</i>	<i>0.25%</i>	<i>0.50%</i>	<i>0.75%</i>

Upon receipt of the financial statements delivered (or deemed delivered) pursuant to Sections 7.1(A)(i) and (ii), as applicable, the Applicable Eurocurrency/RFR Margin, the Applicable Floating Rate Margin, the Applicable L/C Fee Percentage and Applicable Unused Fee Percentage shall be adjusted, such adjustment being effective five (5) Business Days following the day such financial statements and compliance certificates are required to be delivered pursuant to Section 7.1(A); provided, that if the Company shall not have timely delivered its financial statements and compliance certificates in accordance with the applicable provisions of Section 7.1(A), and such failure continues for five (5) days after notice from the Administrative Agent to the Company, then, at the discretion of the Required Lenders, commencing on the date upon which such financial statements and compliance certificates should have been delivered and continuing until five (5) days after such financial statements and compliance certificates are actually delivered (or deemed delivered), it shall be assumed for purposes of determining the Applicable Eurocurrency/RFR Margin, the Applicable Floating Rate Margin, Applicable L/C Fee Percentage and Applicable Unused Fee Percentage that the Leverage Ratio was greater than 3.50 to 1.0 and Level VI pricing shall be applicable.

(E) Taxes.

(i) Any and all payments by the Borrowers hereunder (whether in respect of principal, interest, fees or otherwise) shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, fees, assessments, duties, charges or withholdings or any interest, penalties or liabilities with respect thereto imposed by any Governmental Authority including those arising after the date hereof as a result of the adoption of or any

change in any law, treaty, rule, regulation, guideline or determination of a Governmental Authority or any change in the interpretation or application thereof by a Governmental Authority but excluding, in the case of each Lender and the Administrative Agent, Excluded Taxes (all such non-excluded taxes, levies, imposts, deductions, fees, assessments, duties, charges, withholdings, and liabilities which the Administrative Agent or a Lender determines to be applicable to this Agreement, the other Loan Documents, the Revolving Loan Commitments, the Loans or the Letters of Credit being hereinafter referred to as “**Taxes**”). If any Borrower or the Administrative Agent shall be required by law or requested by any Governmental Authority to deduct or withhold any Taxes from or in respect of any sum payable hereunder or under the other Loan Documents to any Lender or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section 2.14(E)) such Lender or the Administrative Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) such Borrower shall make such deductions or withholdings, and (iii) such Borrower shall pay the full amount deducted or withheld to the relevant Governmental Authority or other authority in accordance with applicable law. If any Tax, including, without limitation, any withholding tax, of the United States of America or any other Governmental Authority shall be or become applicable (y) after the date of this Agreement, to such payments by such Borrower made to the Lending Installation or any other office that a Lender may claim as its Lending Installation, or (z) after such Lender’s selection and designation of any other Lending Installation, to such payments made to such other Lending Installation, such Lender shall use reasonable efforts to make, fund and maintain its Loans through another Lending Installation of such Lender in another jurisdiction so as to reduce such Borrower’s liability hereunder, if the making, funding or maintenance of such Loans through such other Lending Installation of such Lender does not, in the reasonable judgment of such Lender, otherwise adversely and materially affect such Loans, or obligations under the Revolving Loan Commitments of such Lender.

(ii) In addition, the Company agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges, or similar levies which arise from any payment made hereunder, from the issuance of Letters of Credit hereunder, or from the execution, delivery or registration of, or otherwise with respect to, this Agreement, the other Loan Documents, the Revolving Loan Commitments, the Loans or the Letters of Credit (other than Excluded Taxes, collectively, the “**Other Taxes**”).

(iii) Each Borrower indemnifies each Lender and the Administrative Agent for the full amount of Taxes and Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 2.14(E)) paid by such Lender or the Administrative Agent (as the case may be) and any liability (including penalties, interest, and

expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within thirty (30) days after the date such Lender or the Administrative Agent (as the case may be) makes written demand therefor. A certificate as to any additional amount payable to any Lender or the Administrative Agent under this Section 2.14(E) submitted to the applicable Borrower and the Administrative Agent (if a Lender is so submitting) by such Lender or the Administrative Agent shall show in reasonable detail the amount payable and the calculations used to determine such amount and shall, absent manifest error, be final, conclusive and binding upon all parties hereto. With respect to such deduction or withholding for or on account of any Taxes and to confirm that all such Taxes have been paid to the appropriate Governmental Authorities, the applicable Borrower shall promptly (and in any event not later than thirty (30) days after receipt) furnish to each Lender and the Administrative Agent such certificates, receipts and other documents as may reasonably be required (in the reasonable judgment of such Lender or the Administrative Agent) to establish any tax credit to which such Lender or the Administrative Agent may be entitled. In the event such Lender or the Administrative Agent receives any such tax credit, such Lender or the Administrative Agent shall pay to the applicable Borrower such amount (if any) not exceeding the increased amount paid by such Borrower to, or on behalf of, such Lender or the Administrative Agent that is allocable to such increased amount. Any of the Administrative Agent or any Lender requesting compensation under this Section 2.14(E) shall use its reasonable efforts to notify the applicable Borrower (with a copy to the Administrative Agent) in writing of the event giving rise to such demand for compensation not more than ninety (90) days following the date upon which the responsible account officer for the Administrative Agent or the applicable Lender knows of such event. Such written demand shall be rebuttably presumed correct for all purposes. If any Lender or the Administrative Agent demands compensation under this Section 2.14(E) more than ninety (90) days following the date upon which a responsible account officer for such Lender or the Administrative Agent knows that interest, penalties or other additions to Taxes or Other Taxes have begun to accrue with respect to which such Lender or the Administrative Agent is entitled to compensation under this Section 2.14(E), then any interest, penalties or other additions to Taxes or Other Taxes attributable to the period prior to the ninety (90) day period immediately preceding the date on which such Lender or the Administrative Agent provided such notice and demand for compensation shall be excluded from the indemnity obligations of the Borrowers under this Section 2.14(E).

(iv) Within thirty (30) days after the date of any payment of Taxes or Other Taxes by any Borrower, such Borrower shall furnish to the Administrative Agent the original or a certified copy of a receipt evidencing payment thereof.

(v) Without prejudice to the survival of any other agreement of the Borrowers hereunder, the agreements and obligations of the Borrowers contained in this Section 2.14(E) shall survive the payment in full of all Obligations

hereunder, the termination of the Letters of Credit and the termination of this Agreement for a period of one year.

(vi) Each Lender (including any Replacement Lender or Purchaser) that is not created or organized under the laws of the United States of America or a political subdivision thereof (each a “**Non-U.S. Lender**”) shall deliver to the Borrowers and the Administrative Agent on or before the Closing Date, or, if later, the date on which such Lender becomes a Lender pursuant to Section 13.3 hereof (and from time to time thereafter upon the request of any Borrower or the Administrative Agent, but only for so long as such Non-U.S. Lender is legally entitled to do so), either (1) two (2) duly completed copies of either (A) IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to a tax treaty, or (B) IRS Form W-8ECI, or in either case an applicable successor form; or (2) in the case of a Non-U.S. Lender that is not legally entitled to deliver the forms listed in clause (vi)(1), (x) a certificate of a duly authorized officer of such Non-U.S. Lender to the effect that such Non-U.S. Lender is not (A) a “bank” within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a controlled foreign corporation receiving interest from a related person within the meaning of Section 881(c)(3)(C) of the Code (such certificate, an “**Exemption Certificate**”) and (y) two (2) duly completed copies of IRS Form W-8BEN or IRS Form W-8BEN-E or applicable successor form. Each such Lender further agrees to deliver to the Borrowers and the Administrative Agent from time to time a true and accurate certificate executed in duplicate by a duly authorized officer of such Lender in a form satisfactory to the Borrowers and the Administrative Agent, before or promptly upon the occurrence of any event requiring a change in the most recent certificate previously delivered by it to the Borrowers and the Administrative Agent pursuant to this Section 2.14(E)(vi). Further, each Lender which delivers a form or certificate pursuant to this clause (vi) covenants and agrees to deliver to the Borrowers and the Administrative Agent within fifteen (15) days prior to the expiration of such form, for so long as this Agreement is still in effect, another such certificate and/or two (2) accurate and complete original newly-signed copies of the applicable form (or any successor form or forms required under the Code or the applicable regulations promulgated thereunder).

If a payment made to a Lender under this Agreement would be subject to United States federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Company and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Company 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 Company or the Administrative Agent as may be necessary for the Company and the Administrative Agent to comply with its obligations under FATCA, to determine that such Lender has or has not complied with such Lender’s

obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.14(E)(vi), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender shall promptly furnish to the Company and the Administrative Agent such additional documents as may be reasonably required by the Company or the Administrative Agent to establish any exemption from or reduction of any Taxes or Other Taxes required to be deducted or withheld. Notwithstanding any other provision of this Section 2.14(E), the Borrowers shall not be obligated to gross up any payments to any Lender pursuant to Section 2.14(E)(i), or to indemnify any Lender pursuant to Section 2.14(E)(iii), in respect of United States federal withholding taxes to the extent imposed as a result of (x) the failure of such Lender to deliver to the Borrowers the form or forms and/or an Exemption Certificate, as applicable to such Lender, pursuant to Section 2.14(E)(vi), (y) such form or forms and/or Exemption Certificate not establishing a complete exemption from U.S. federal withholding tax or the information or certifications made therein by the Lender being untrue or inaccurate on the date delivered in any material respect, or (z) the Lender designating a successor Lending Installation at which it maintains its Loans which has the effect of causing such Lender to become obligated for tax payments in excess of those in effect immediately prior to such designation; provided, however, that the Borrowers shall be obligated to gross up any payments to any such Lender pursuant to Section 2.14(E)(i), and to indemnify any such Lender pursuant to Section 2.14(E)(iii), in respect of United States federal withholding taxes if (x) any such failure to deliver a form or forms or an Exemption Certificate or the failure of such form or forms or exemption certificate to establish a complete exemption from U.S. federal withholding tax or inaccuracy or untruth contained therein resulted from a change in any applicable statute, treaty, regulation or other applicable law or any interpretation of any of the foregoing occurring after the date such Lender became a party hereto, which change rendered such Lender no longer legally entitled to deliver such form or forms or Exemption Certificate or otherwise ineligible for a complete exemption from U.S. federal withholding tax, or rendered the information or the certifications made in such form or forms or Exemption Certificate untrue or inaccurate in any material respect, (ii) the redesignation of the Lender’s Lending Installation was made at the request of the Company or (iii) the obligation to gross up payments to any such Lender pursuant to Section 2.14(E)(i), or to indemnify any such Lender pursuant to Section 2.14(E)(iii), is with respect to a Purchaser that becomes a Purchaser as a result of an assignment made at the request of the Company.

(vii) Upon the request, and at the expense of the applicable Borrower, each Lender to which such Borrower is required to pay any additional amount pursuant to this Section 2.14(E), shall reasonably afford such Borrower the opportunity to contest, and shall reasonably cooperate with such Borrower in contesting, the imposition of any Tax giving rise to such payment; provided, that (i) such Lender shall not be required to afford such Borrower the opportunity to so contest unless such Borrower shall have confirmed in writing to such Lender its obligation to pay such amounts pursuant to this Agreement; and (ii) such Borrower shall reimburse such Lender for its attorneys’ and accountants’ fees and disbursements incurred in so cooperating with such Borrower in contesting the imposition of such Tax; provided, however, that notwithstanding the foregoing, no Lender shall be required to afford such Borrower the opportunity to contest, or

cooperate with such Borrower in contesting, the imposition of any Taxes, if such Lender in good faith determines that to do so would have an adverse effect on it.

(viii) If the Administrative Agent or any Lender is entitled to an exemption from or reduction in the rate of the imposition, deduction or withholding of any Tax or Other Tax under the laws of the jurisdiction in which any Foreign Subsidiary Borrower is organized or engaged in business, or any treaty to which such jurisdiction is a party, with respect to payments by such Foreign Subsidiary Borrower under this Agreement or any other Loan Document, then the Administrative Agent or such Lender (as the case may be) shall, at the request of the Company, deliver to such Foreign Subsidiary Borrower or the relevant Governmental Authority, in the manner and at the time or times prescribed by applicable law or as reasonably requested by the Company (such request to be at least 60 days prior to the due date required for submission thereof), such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Company (and in form and substance reasonably acceptable to the Administrative Agent or such Lender (as applicable)) as will permit such payments to be made without the imposition, deduction or withholding of such Tax or Other Tax or at a reduced rate, provided that the Administrative Agent or such Lender is legally entitled to complete, execute and deliver such documentation and in its reasonable judgment such completion, execution or submission would not materially prejudice its commercial or legal position or require disclosure of information it considers confidential or proprietary.

(ix) If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by any Borrower or with respect to which the Borrowers have paid additional amounts pursuant to this Section 2.14(E), it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrowers under this Section 2.14(E) giving rise to such refund), net of all expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that each Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the applicable Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrowers or any other Person.

(x) Each Lender shall severally indemnify the Administrative Agent for any taxes, levies, imposts, deductions, fees, assessments, duties, charges, withholdings, and any interest, penalties or liabilities with respect thereto (but, in the case of any Taxes or Other Taxes, only to the extent that the Borrowers have

not already indemnified the Administrative Agent for such Taxes or Other Taxes and without limiting the obligation of each Borrower to do so) attributable to such Lender that are paid or payable by the Administrative Agent in connection with this Agreement and any reasonable expenses arising therefrom or with respect thereto, whether or not such amounts were correctly or legally imposed or asserted by the relevant Governmental Authority. The indemnity under this Section 2.14(E)(x) shall be paid within thirty (30) days after the Administrative Agent delivers to the applicable Lender a certificate stating the amount so paid or payable by the Administrative Agent. Such certificate shall be conclusive of the amount so paid or payable absent manifest error.

(xi) For purposes of determining withholding taxes imposed under FATCA, from and after the Closing Date the Borrowers and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement as not qualifying as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

2.15 Notification of Advances, Interest Rates, Prepayments and Aggregate Revolving Loan Commitment Reductions

. Promptly after receipt thereof, the Administrative Agent will notify each Lender of the contents of each Aggregate Revolving Loan Commitment reduction notice, Borrowing/Election Notice, and repayment notice received by it hereunder. The Administrative Agent will notify each Lender of the interest rate and Agreed Currency applicable to each Eurocurrency Rate Loan and RFR Loan promptly upon determination of such interest rate and Agreed Currency and will give each Lender prompt notice of each change in the Alternate Base Rate.

2.16 Lending Installations

. Each Lender may book its Loans or Letters of Credit at any Lending Installation selected by such Lender and may change its Lending Installation from time to time upon reasonable written notice thereof to the Company. All terms of this Agreement shall apply to any such Lending Installation. Each Lender may, by written or facsimile notice to the Administrative Agent and the Company, designate a Lending Installation through which Loans will be made by it and for whose account Loan payments and/or payments of L/C Obligations are to be made.

2.17 Non-Receipt of Funds by the Administrative Agent

. Unless a Borrower or a Lender, as the case may be, notifies the Administrative Agent prior to the date on which it is scheduled to make payment to the Administrative Agent of (i) in the case of a Lender, the proceeds of a Loan or (ii) in the case of a Borrower, a payment of principal, interest or fees to the Administrative Agent for the account of the Lenders, that it does not intend to make such payment, the Administrative Agent may assume that such payment has been made. The Administrative Agent may, but shall not be obligated to, make the amount of such payment available to the intended recipient in reliance upon such assumption. If such Lender or Borrower, as the case may be, has not in fact made such payment to the Administrative Agent, the recipient of such payment shall, on demand by the Administrative Agent, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Administrative Agent until the date the Administrative Agent recovers such amount at a rate per annum equal to (i) in the case of payment

by a Lender, the Overnight Rate for such day or (ii) in the case of payment by a Borrower, the interest rate applicable to the relevant Loan.

2.18 Termination Date

. This Agreement shall be effective until the Termination Date. Notwithstanding the termination of this Agreement, until (A) all of the Obligations (other than contingent indemnity obligations) shall have been fully paid and satisfied in cash, (B) all financing arrangements among the Borrowers and the Lenders shall have been terminated and (C) all of the Letters of Credit shall have expired, been canceled, terminated or cash collateralized in accordance with Section 3.3(B) or Section 3.11, as applicable, all of the rights and remedies under this Agreement and the other Loan Documents shall survive.

2.19 Replacement of Certain Lenders

. In the event a Lender ("**Affected Lender**") shall: (i) be a Defaulting Lender, (ii) have requested compensation from a Borrower under Sections 2.14(E), 4.1 or 4.2 to recover Taxes, Other Taxes or other additional costs incurred by such Lender which are not being requested generally by the other Lenders, (iii) have delivered a notice pursuant to Section 4.3 claiming that such Lender is unable to extend Eurocurrency Rate Loans or RFR Loans to a Borrower for reasons not generally applicable to the other Lenders, (iv) have invoked Section 10.2, or (v) failed to consent to a waiver or amendment hereto which requires the consent of each Lender or each Lender affected thereby and that has otherwise been consented to by the Required Lenders, then, in any such case, the applicable Borrower (or the Company on behalf of any Borrower) or the Administrative Agent may make written demand on such Affected Lender (with a copy to the Administrative Agent in the case of a demand by a Borrower and a copy to the applicable Borrower in the case of a demand by the Administrative Agent) for the Affected Lender to assign, and such Affected Lender shall use commercially reasonable efforts to assign pursuant to one or more duly executed Assignment Agreements five (5) Business Days after the date of such demand, to one or more financial institutions that comply with the provisions of Section 13.3(A) which the applicable Borrower or the Administrative Agent, as the case may be, shall have engaged for such purpose ("**Replacement Lender**"), all of such Affected Lender's rights and obligations under this Agreement and the other Loan Documents (including, without limitation, its Revolving Loan Commitment, all Loans owing to it, all of its participation interests in existing Letters of Credit, and its obligation to participate in additional Letters of Credit and Swing Line Loans hereunder) in accordance with Section 13.3. The Administrative Agent agrees, upon the occurrence of such events with respect to an Affected Lender and upon the written request of the applicable Borrower (or the Company on behalf of any Borrower), to use its reasonable efforts to obtain the commitments from one or more financial institutions to act as a Replacement Lender. The Administrative Agent is authorized to execute one or more of such assignment agreements as attorney-in-fact for any Affected Lender failing to execute and deliver the same within five (5) Business Days after the date of such demand. Further, with respect to such assignment the Affected Lender shall have concurrently received, in cash, all amounts due and owing to the Affected Lender hereunder or under any other Loan Document, including, without limitation, the aggregate outstanding principal amount of the Loans owed to such Lender, together with accrued interest thereon through the date of such assignment, amounts payable under Sections 2.14(E), 4.1, and 4.2 with respect to such Affected Lender and compensation payable under Section 2.14(C) in the event of any replacement of any Affected Lender under clause (ii) or clause (iii) of this Section 2.19; provided that upon such Affected Lender's replacement, such Affected Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14(E), 4.1, 4.2, 4.4,

and 10.7, as well as to any fees accrued for its account hereunder and not yet paid, and shall continue to be obligated under Section 11.8 for such amounts, obligations and liabilities as are due and payable up to and including (but not after) the date such Affected Lender is replaced pursuant hereto. Upon the replacement of any Affected Lender pursuant to this Section 2.19, the provisions of Section 9.2 shall continue to apply with respect to Loans which are then outstanding with respect to which the Affected Lender failed to fund its Pro Rata Share and which failure has not been cured.

2.20 Judgment Currency

. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the “**specified currency**”) into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent’s main office in Charlotte, North Carolina on the Business Day preceding that on which the final, non-appealable judgment is given. The obligations of each Borrower in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, each Borrower agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 12.2, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to the applicable Borrower.

2.21 Denomination of Amounts in Dollars; Dollar Equivalent of Reimbursement Obligations.

(A) [Reserved].

(B) Calculation of Amounts. Except as set forth below, all amounts referenced in this Article II shall be calculated using the Dollar Amount determined based upon the Equivalent Amount in effect as of the date of any determination thereof; provided, however, that to the extent the applicable Borrower shall be obligated hereunder to pay in Dollars any Advance denominated in a currency other than Dollars, such amount shall be paid in Dollars using the Dollar Amount of the Advance (calculated based upon the Equivalent Amount in effect on the date of payment thereof) and in the event that the applicable Borrower does not reimburse the Administrative Agent and the Lenders are required to fund a purchase of a participation in such Advance, such purchase shall be made in Dollars in an amount equal to the Dollar Amount of such Advance (calculated based upon the Equivalent Amount in effect on the date of payment thereof). Notwithstanding

anything herein to the contrary, the full risk of currency fluctuations shall be borne by the Borrowers and each Borrower agrees to indemnify and hold harmless each Issuing Bank, the Administrative Agent and the Lenders from and against any loss resulting from any borrowing denominated in a currency other than in Dollars and for which the Lenders are not reimbursed on the day of such borrowing as it relates to such Borrower's respective obligations.

2.22 Increase of Aggregate Revolving Loan Commitment; Incremental Term Loans

. The Company may from time to time elect to increase the Aggregate Revolving Loan Commitment and/or enter into one or more tranches of term loans (each an "Incremental Term Loan"), or any combination of such increases and Incremental Term Loans, in each case in a minimum aggregate amount of \$25,000,000 and increments of \$5,000,000 in excess thereof so long as, after giving effect thereto, (x) the aggregate amount of such increases and all such Incremental Term Loans does not exceed \$500,000,000 and (y) the sum of the Aggregate Revolving Loan Commitment plus the amount of Incremental Term Loans does not exceed \$1,500,000,000. The Company may arrange for any such increase or tranche to be provided by one or more Lenders agreeing to an increase in its existing Revolving Loan Commitment or to participate in such Incremental Term Loans, as the case may be (each such Lender, an "Increasing Lender"), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an "Augmenting Lender") agreeing to extend Revolving Loan Commitments or to participate in such Incremental Term Loans, as the case may be; provided that (i) each Augmenting Lender shall be subject to the approval of the Company, the Administrative Agent, the Issuing Bank and the Swing Line Bank, (ii) no Augmenting Lender shall be the Company or any Subsidiary or Affiliate of the Company and (iii) (x) in the case of an Increasing Lender, the Company and such Increasing Lender execute an agreement substantially in the form of Exhibit M-1 hereto, and (y) in the case of an Augmenting Lender, the Company and such Augmenting Lender execute an agreement substantially in the form of Exhibit M-2 hereto. No consent of any Lender (other than the Lenders participating in the increase or any Incremental Term Loan) shall be required for any increase in Revolving Loan Commitments or Incremental Term Loan pursuant to this Section 2.22. Increases and new Revolving Loan Commitments and Incremental Term Loans created pursuant to this Section 2.22 shall become effective on the date agreed by the Company, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Revolving Loan Commitments (or in the Revolving Loan Commitment of any Lender) or tranche of Incremental Term Loans shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase or Incremental Term Loans, (A) the conditions set forth in paragraphs (A) and (B) of Section 5.2 shall be satisfied or waived by the Required Lenders and the Administrative Agent shall have received a certificate to that effect dated such date and executed by an Authorized Signer of the Company and (B) the Company shall be in compliance on a pro forma basis with the covenants contained in Section 7.4 and (ii) the Administrative Agent shall have received documents consistent with those delivered on the Closing Date as to the organizational power and authority of the Borrowers to borrow hereunder after giving effect to such increase. On the effective date of any Incremental Term Loans being made, each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent its Incremental Term Loan in immediately available funds and the Administrative Agent will promptly make the funds so received available to the Company. On the effective date of any increase in the Revolving Loan Commitments (i) each relevant Increasing

Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender's portion of the outstanding Revolving Loans of all the Lenders to equal its Pro Rata Share of such outstanding Revolving Loans, and (ii) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Revolving Loans as of the date of any increase in the Revolving Loan Commitments (with such reborrowing to consist of the Types of Revolving Loans, with related Interest Periods if applicable, specified in a notice delivered by the applicable Borrower, or the Company on behalf of the applicable Borrower, in accordance with the requirements of Section 2.1(B)). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Fixed-Rate Loan and RFR Loan, shall be subject to indemnification by the Borrowers pursuant to the provisions of Section 4.4 if the deemed payment occurs other than on the last day of the related Interest Periods with respect to Fixed-Rate Loans or on a Payment Date with respect to RFR Loan. The Incremental Term Loans (a) shall rank pari passu in right of payment with the Revolving Loans, (b) shall not mature earlier than the Revolving Loan Termination Date (but may have amortization prior to such date) and (c) shall be treated substantially the same as (and in any event no more favorably than) the Revolving Loans; provided that (i) the terms and conditions applicable to any tranche of Incremental Term Loans maturing after the Revolving Loan Termination Date may provide for material additional or different financial or other covenants or prepayment requirements applicable only during periods after the Revolving Loan Termination Date and (ii) the Incremental Term Loans may be priced differently than the Revolving Loans. Incremental Term Loans may be made hereunder pursuant to an amendment or restatement (an "Incremental Term Loan Amendment") of this Agreement and, as appropriate, the other Loan Documents, executed by the Borrowers, each Increasing Lender participating in such tranche, each Augmenting Lender participating in such tranche, if any, and the Administrative Agent. The Incremental Term Loan Amendment may, without the consent of any other Lenders (except to the extent required pursuant to Section 9.3), effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.22. Nothing contained in this Section 2.22 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Revolving Loan Commitment hereunder, or provide Incremental Term Loans, at any time.

2.23 Subsidiary Borrowers and Foreign Subsidiary Borrowers

. So long as no Default or Unmatured Default has occurred and is continuing, the Company may from time to time add as a party to this Agreement (i) a wholly-owned Domestic Incorporated Subsidiary as a "Domestic Subsidiary Borrower" hereunder or (ii) a Foreign Subsidiary as a "Foreign Subsidiary Borrower" hereunder, each such joinder to be subject to (a) if such new Borrower is organized outside of an Agreed Jurisdiction, the prior written consent of the Administrative Agent and one hundred percent (100%) of the Lenders, (b) the receipt of evidence satisfactory to the Administrative Agent that such Domestic Incorporated Subsidiary or Foreign Subsidiary would not, in its capacity as a Subsidiary Borrower or Foreign Subsidiary Borrower hereunder, be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder by such Domestic Incorporated Subsidiary or Foreign Subsidiary Borrower to the Administrative Agent or any

Lender and that no other adverse tax, regulatory or other consequences would affect the Administrative Agent or any Lender as a result of such Domestic Incorporated Subsidiary's or Foreign Subsidiary's status as a Subsidiary Borrower or Foreign Subsidiary Borrower (and the Administrative Agent shall consider in making such determination any notice received from any Lender of any such adverse tax, regulatory or other consequences which would affect such Lender), (c) receipt by the Administrative Agent of a valid and enforceable amendment to this Agreement to the extent the Administrative Agent deems such amendment necessary or advisable in connection with such joinder, (d) the execution and delivery to the Administrative Agent by such Domestic Incorporated Subsidiary or Foreign Subsidiary of duly completed documentation pursuant to which such Domestic Incorporated Subsidiary or Foreign Subsidiary shall agree to become a Subsidiary Borrower or Foreign Subsidiary Borrower hereunder and to perform, comply with and be bound by each of the provisions of this Agreement applicable to the Borrowers, with the written consent of the Company appearing thereon, which may be in the form of a Borrowing Subsidiary Agreement, and (e) the execution and delivery to the Administrative Agent of each other instrument, document and agreement as the Administrative Agent may reasonably request, including, without limitation, acceptable opinions of counsel. Upon satisfaction of all such conditions, such Domestic Incorporated Subsidiary or Foreign Subsidiary shall for all purposes be a party hereto as a Subsidiary Borrower or Foreign Subsidiary Borrower as fully as if it had executed and delivered this Agreement. Concurrent with the addition of any Domestic Incorporated Subsidiary or Foreign Subsidiary of the Company as a Subsidiary Borrower or Foreign Subsidiary Borrower, (i) the Company and each Domestic Subsidiary Borrower shall be jointly and severally liable for all of the Obligations of the Company, each Subsidiary Borrower and each Foreign Subsidiary Borrower under the Loan Documents, provided, however, that the Foreign Subsidiary Borrowers (including those Foreign Subsidiary Borrowers party hereto as of the Closing Date) shall not be liable for any Obligations other than each Foreign Subsidiary Borrower's own Obligations (except with respect to Woodward Kempen as described in Section 16.1), (ii) each Borrower shall be permitted to request Advances hereunder and (iii) all references herein to the "Borrower" shall be deemed to be references to the Company, each Subsidiary Borrower and each Foreign Subsidiary Borrower, individually and collectively. The joinder of any Foreign Subsidiary as a Foreign Subsidiary Borrower shall also be subject to satisfaction of the conditions precedent set forth in Section 5.3. No Lender will be required to hold any commitment or make any advance to an additional Foreign Subsidiary Borrower, including, without limitation, a Foreign Subsidiary Borrower organized in an Agreed Jurisdiction, if after the Closing Date the Lender has determined in good faith that such commitment or advance would violate Requirements of Law, and the Lender has notified the Administrative Agent and the Company of such determination prior to the joinder of the applicable Foreign Subsidiary Borrower. The parties hereto acknowledge and agree that to the extent any Lender requests additional documentation and information (including, without limitation a Beneficial Ownership Certification) required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act or the Beneficial Ownership Regulation, no later than five (5) Business Days prior to the effective date of any new Foreign Subsidiary Borrower becoming party hereto (such date, the "Joinder Date"), the Company or such potential Foreign Subsidiary Borrower shall provide such additional documentation and information to such Lender no later than three (3) Business Days prior to the Joinder Date before such new Foreign Subsidiary Borrower shall be entitled to utilize the credit facilities provided for herein.

Upon the delivery by the Company of a Borrowing Subsidiary Termination with respect to any Subsidiary, such Subsidiary shall cease to be a Subsidiary Borrower or Foreign Subsidiary Borrower, as applicable, and a party to this Agreement (except, with respect to Woodward Kempen, in respect of its guaranty obligations under Section 16.1 hereof so long as Woodward Aken is a Borrower, unless Woodward Kempen otherwise provides a separate Foreign Subsidiary Guaranty at the time of such termination). Notwithstanding the preceding sentence, no Borrowing Subsidiary Termination will become effective as to any Subsidiary Borrower or Foreign Subsidiary Borrower at a time when any principal of or interest on any Loan to such Borrower shall be outstanding hereunder, provided that such Borrowing Subsidiary Termination shall be effective to terminate the right of such Subsidiary Borrower or Foreign Subsidiary Borrower to make further borrowings under this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender.

2.24 Defaulting Lenders.

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

(A) fees shall cease to accrue on the Revolving Loan Commitment (whether used or unused) of such Defaulting Lender pursuant to Section 2.14(C);

(B) the Revolving Loan Commitment and Revolving Credit Obligations of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including consent to any waiver, amendment or other modification pursuant to Section 9.3), provided, that this clause (B) shall not apply to the vote of a Defaulting Lender in the case of (i) any increase or extension of the Revolving Loan Commitment of such Defaulting Lender or (ii) any amendment, waiver or other modification requiring the consent of each Lender affected thereby pursuant to the first clause (ii) or (iii) of Section 9.3;

(C) if any Swing Line Exposure or L/C Obligations exist at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the Swing Line Exposure and L/C Obligations of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent the sum of all non-Defaulting Lenders' Revolving Credit Obligations plus such Defaulting Lender's Swing Line Exposure and L/C Obligations does not exceed the total of all non-Defaulting Lenders' Revolving Loan Commitments; and

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the applicable Borrower shall within one Business Day following notice by the Administrative Agent (x) first, prepay such Swing Line Exposure and (y) second, cash collateralize, for the benefit of the Issuing Banks only, such Borrower's obligations corresponding to such Defaulting Lender's L/C Obligations (after giving effect to any partial reallocation pursuant to clause (i))

above) in accordance with the procedures set forth in Section 3.11 for so long as such L/C Obligations are outstanding;

(iii) if the Company cash collateralizes any portion of such Defaulting Lender's L/C Obligations pursuant to clause (ii) above, the Company shall not be required to pay any fees to such Defaulting Lender pursuant to Section 3.8 with respect to such Defaulting Lender's L/C Obligations during the period such Defaulting Lender's L/C Obligations are cash collateralized;

(iv) if the L/C Obligations of the non-Defaulting Lenders are reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 3.8 shall be adjusted in accordance with such non-Defaulting Lenders' Pro Rata Shares; or

(v) if all or any portion of such Defaulting Lender's L/C Obligations are neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of any Issuing Bank or any Lender hereunder, all unused fees that would otherwise would have been payable to such Defaulting Lender (solely with respect to the portion of such Defaulting Lender's Revolving Loan Commitment that was utilized by such L/C Obligations) and letter of credit fees payable under Section 3.8 with respect to such Defaulting Lender's L/C Obligations shall be payable to the Issuing Banks until and to the extent that such L/C Obligations are reallocated and/or cash collateralized;

(D) so long as such Lender is a Defaulting Lender, the Swing Line Bank shall not be required to fund any Swing Line Loan, and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and such Defaulting Lender's then outstanding L/C Obligations will be 100% covered by the Revolving Loan Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Company in accordance with Section 3.11, and participating interests in any such newly made Swing Line Loan or newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.24(C)(i) (and Defaulting Lenders shall not participate therein);

(E) if (i) a Bankruptcy Event or Bail-In Action with respect to a Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) the Swing Line Bank or an Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Swing Line Bank shall not be required to fund any Swing Line Loan and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless the Swing Line Bank or such Issuing Bank, as the case may be, shall have entered into arrangements with the Borrowers or such Lender, satisfactory to the Swing Line Bank or such Issuing Bank, as the case may be, to defease any risk to it in respect of such Lender hereunder;

(F) in the event that the Administrative Agent, the Company, the Issuing Banks and the Swing Line Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swing Line Exposure and L/C Obligations

of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Loan Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders (other than Swing Line Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Pro Rata Share; and

(G) any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 12.1 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Banks or the Swing Line Bank hereunder; *third*, to cash collateralize the L/C Obligations of the Issuing Banks with respect to such Defaulting Lender in accordance with Section 3.11; *fourth*, as the Company may request (so long as no Default or Unmatured Default exists), to the funding of any Loan or funded participation in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Company, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans and funded participations under this Agreement and (B) cash collateralize the Issuing Banks' future L/C Obligations with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 3.11; *sixth*, to the payment of any amounts owing to the Lenders, the Issuing Banks or the Swing Line Bank as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any Issuing Bank or the Swing Line Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Unmatured Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans or funded participations in Letters of Credit or Swing Line Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit or Swing Line Loans were issued at a time when the conditions set forth in Section 5.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and funded participations in Letters of Credit or Swing Line Loans owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or funded participations in Letters of Credit or Swing Line Loans owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Revolving Loan Commitments without giving effect to Section 2.24(C). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.24(G) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

ARTICLE III: THE LETTER OF CREDIT FACILITY

3.1 Obligation to Issue Letters of Credit

. Subject to the terms and conditions of this Agreement and in reliance upon the representations, warranties and covenants of the Borrowers herein set forth, each Issuing Bank hereby agrees to issue for the account of the Borrowers through such Issuing Bank's branches as it and the applicable Borrower may jointly agree, one or more Letters of Credit denominated in Dollars or, so long as such currency remains an Agreed Currency, euro, British Pounds Sterling and Yen, in accordance with this Article III, from time to time during the period commencing on the Closing Date and ending on the Business Day prior to the Termination Date.

3.2 Transitional Letters of Credit

. Schedule 3.2 contains a schedule of certain letters of credit issued for the account of the Company prior to the Closing Date (the "Transitional Letters of Credit"). Subject to the satisfaction of the conditions contained in Sections 5.1 and 5.2, from and after the Closing Date such letters of credit shall be deemed to be Letters of Credit issued pursuant to this Article III.

3.3 Types and Amounts

. No Issuing Bank shall have any obligation to and no Issuing Bank shall:

(A) issue (or amend) any Letter of Credit if on the date of issuance (or amendment), before or after giving effect to the Letter of Credit requested hereunder, (i) the Dollar Amount of the Revolving Credit Obligations at such time would exceed the Aggregate Revolving Loan Commitment at such time, (ii) the aggregate outstanding Dollar Amount of the L/C Obligations would exceed \$50,000,000, or (iii) the aggregate outstanding Dollar Amount of L/C Obligations relating to Letters of Credit having expiration dates more than two (2) years after the date of issuance thereof exceeds \$5,000,000; or

(B) issue (or amend) any Letter of Credit which has an expiration date later than the date which is the earlier of (x) two (2) years after the date of issuance thereof (provided, however, that an Issuing Bank may issue (or amend) a Letter of Credit with an expiration date up to five years after the date of issuance thereof if the requirements of Section 3.3(A)(iii) are met and such expiration date does not run beyond the date contemplated in the following clause (y)) or (y) subject to the following sentence, five (5) Business Days immediately preceding the Revolving Loan Termination Date; provided, that any Letter of Credit with a one-year term or a two-year term (or longer term as contemplated above), as applicable, may provide for the renewal thereof for additional one-year, two-year or longer periods (which in no event shall extend beyond the date referred to in clause (y) above). Notwithstanding anything to the contrary set forth in this Agreement, a Letter of Credit may have an expiry date that occurs within five (5) Business Days before the Revolving Loan Termination Date or after the Revolving Loan Termination Date so long as, in each case, the Administrative Agent receives from the applicable Borrower, at least five (5) Business Days prior to the earlier of the applicable Letter of Credit's expiry date and the Revolving Loan Termination Date, an amount in immediately available funds equal to at least one hundred two percent (102%) of the L/C Obligations owing under or in connection with such Letter of Credit. Any such collateral shall be held by the Administrative Agent in a separate account appropriately designated as a cash collateral account in relation to this Agreement and the Letters of Credit and retained by the Administrative Agent for the benefit of the Lenders and the Issuing Banks as collateral security for the Borrowers' obligations in respect of this Agreement and such Letter of Credit. Amounts remaining in any cash collateral account established pursuant to this

Section 3.3 which are not applied to reimburse an Issuing Bank for amounts actually paid or to be paid by such Issuing Bank in respect of a Letter of Credit or otherwise applied to the Obligations shall be returned to the applicable Borrower within one (1) Business Day (after deduction of the Administrative Agent's expenses incurred in connection with such cash collateral account).

3.4 Conditions

. In addition to being subject to the satisfaction of the conditions contained in Sections 5.1 and 5.2, the obligation of an Issuing Bank to issue any Letter of Credit is subject to the satisfaction in full of the following conditions:

(A) the applicable Borrower shall have delivered to the applicable Issuing Bank (and, if the Issuing Bank is a Lender other than Wells Fargo, with a copy to the Administrative Agent) at such times and in such manner as such Issuing Bank may reasonably prescribe, a request for issuance of such Letter of Credit in substantially the form of Exhibit C hereto (each such request a "**Request For Letter of Credit**"), duly executed applications for such Letter of Credit, and such other documents, instructions and agreements as may be required pursuant to the terms thereof (all such applications, documents, instructions, and agreements being referred to herein as the "**L/C Documents**"), and the proposed Letter of Credit shall be reasonably satisfactory to such Issuing Bank as to form and content; it being agreed that any Letter of Credit application submitted by the Company through any Issuing Bank's approved internet portal or approved electronic intake system shall be deemed to meet all of the requirements of this Section 3.4(A) with no further action being required by the applicable Borrower; and

(B) as of the date of issuance no order, judgment or decree of any court, arbitrator or Governmental Authority shall purport by its terms to enjoin or restrain the applicable Issuing Bank from issuing such Letter of Credit and no law, rule or regulation applicable to such Issuing Bank and no request or directive (whether or not having the force of law) from a Governmental Authority with jurisdiction over such Issuing Bank shall prohibit or request that such Issuing Bank refrain from the issuance of Letters of Credit generally or the issuance of that Letter of Credit.

(C) In the event of any conflict between the terms of this Agreement and the terms of any application for a Letter of Credit, the terms of this Agreement shall control.

3.5 Procedure for Issuance of Letters of Credit.

(A) Subject to the terms and conditions of this Article III and provided that the applicable conditions set forth in Sections 5.1 and 5.2 hereof have been satisfied, the applicable Issuing Bank shall, on the requested date, issue a Letter of Credit on behalf of the applicable Borrower in accordance with such Issuing Bank's usual and customary business practices and, in this connection, such Issuing Bank may assume that the applicable conditions set forth in Section 5.2 hereof have been satisfied unless it shall have received notice to the contrary from the Administrative Agent or a Lender or has knowledge that the applicable conditions have not been met.

(B) The applicable Issuing Bank shall give the Administrative Agent written notice, or telephonic notice confirmed promptly thereafter in writing, of the issuance of a Letter of Credit; provided, however, that the failure to provide such notice shall not result in any liability on the part of such Issuing Bank.

(C) No Issuing Bank shall extend or amend any Letter of Credit unless the requirements of this Section 3.5 are met as though a new Letter of Credit was being requested and issued.

3.6 Letter of Credit Participation

. On the date of this Agreement with respect to the Letters of Credit identified on Schedule 3.2 and immediately upon the issuance of each Letter of Credit hereunder, each Lender with a Pro Rata Share shall be deemed to have automatically, irrevocably and unconditionally purchased and received from the applicable Issuing Bank an undivided interest and participation in and to such Letter of Credit, the obligations of the applicable Borrower in respect thereof, and the liability of such Issuing Bank thereunder (collectively, an “**L/C Interest**”) in an amount equal to the Dollar Amount available for drawing under such Letter of Credit multiplied by such Lender’s Pro Rata Share. Each Issuing Bank will notify each Lender promptly upon presentation to it of an L/C Draft or upon any other draw under a Letter of Credit. On or before the Business Day on which an Issuing Bank makes payment of each such L/C Draft or, in the case of any other draw on a Letter of Credit, on demand by the Administrative Agent or the applicable Issuing Bank, each Lender shall make payment to the Administrative Agent, for the account of the applicable Issuing Bank, in immediately available funds in the Agreed Currency in an amount equal to such Lender’s Pro Rata Share of the Dollar Amount of such payment or draw. The obligation of each Lender to reimburse the Issuing Banks under this Section 3.6 shall be unconditional, continuing, irrevocable and absolute. In the event that any Lender fails to make payment to the Administrative Agent of any amount due under this Section 3.6, the Administrative Agent shall be entitled to receive, retain and apply against such obligation the principal and interest otherwise payable to such Lender hereunder until the Administrative Agent receives such payment from such Lender or such obligation is otherwise fully satisfied; provided, however, that nothing contained in this sentence shall relieve such Lender of its obligation to reimburse the applicable Issuing Bank for such amount in accordance with this Section 3.6.

3.7 Reimbursement Obligation

. Each Borrower agrees unconditionally, irrevocably and absolutely to pay immediately to the Administrative Agent, for the account of the Lenders, the amount of each advance drawn under or pursuant to any Letter of Credit or an L/C Draft related thereto and issued on its behalf (such obligation of each Borrower to reimburse the Administrative Agent for an advance made under any Letter of Credit or L/C Draft being hereinafter referred to as a “**Reimbursement Obligation**” with respect to such Letter of Credit or L/C Draft), each such reimbursement to be made by such Borrower no later than the Business Day on which the applicable Issuing Bank makes payment of each such L/C Draft or, if such Borrower shall have received notice of a Reimbursement Obligation later than 11:00 a.m. (Chicago time, or local time in the city of the applicable Eurocurrency/RFR Payment Office if such L/C is issued to the account of a Foreign Subsidiary Borrower), on any Business Day or on a day which is not a Business Day, no later than 11:00 a.m. (Chicago time, or local time in the city of the applicable Eurocurrency/RFR Payment Office if such L/C is issued to the account of a Foreign Subsidiary Borrower), on the immediately following Business Day or, in the case of any other draw on a Letter of Credit, the date specified in the demand of such Issuing Bank. If any Borrower at any time fails to repay a Reimbursement Obligation pursuant to this Section 3.7, such Borrower shall be deemed to have elected to borrow Revolving Loans from the Lenders, as of the date of the advance giving rise to the Reimbursement Obligation, equal in amount to the Dollar Amount of the unpaid Reimbursement Obligation. Such Revolving Loans shall be made as of the date of the payment giving rise to such Reimbursement Obligation, automatically, without notice and without

any requirement to satisfy the conditions precedent otherwise applicable to an Advance of Revolving Loans. Such Revolving Loans shall initially, until converted, constitute a Floating Rate Advance, the proceeds of which Advance shall be used to repay such Reimbursement Obligation. If, for any reason, any Borrower fails to repay a Reimbursement Obligation on the day such Reimbursement Obligation arises and, for any reason, the Lenders are unable to make or have no obligation to make Revolving Loans, then such Reimbursement Obligation shall bear interest from and after such day, until paid in full, at the interest rate otherwise applicable thereto plus two percent (2.0%) per annum.

3.8 Letter of Credit Fees

. Each Borrower agrees to pay:

(A) quarterly, in arrears, on each Payment Date occurring after the date of this Agreement (with the first such payment being calculated for the period from the Closing Date and ending on September 30, 2019, and, in addition, on the date on which the Aggregate Revolving Loan Commitment shall be terminated in whole), to the Administrative Agent for the ratable benefit of the Lenders a letter of credit fee at a rate per annum equal to the Applicable L/C Fee Percentage on the average daily outstanding Dollar Amount available for drawing under each standby Letter of Credit;

(B) quarterly, in arrears, on each Payment Date occurring after the date of this Agreement (with the first such payment being calculated for the period from the Closing Date and ending on September 30, 2019, and, in addition, on the date on which the Aggregate Revolving Loan Commitment shall be terminated in whole), to the applicable Issuing Bank, a letter of credit fronting fee equal to 0.125% per annum on the average daily outstanding face amount available for drawing under each standby Letter of Credit issued by such Issuing Bank; and

(C) to the applicable Issuing Bank, all customary fees and other issuance, amendment, cancellation, document examination, negotiation, transfer and presentment expenses and related charges in connection with the issuance, amendment, cancellation, presentation of L/C Drafts, negotiation, transfer and the like customarily charged by such Issuing Banks with respect to standby Letters of Credit, payable at the time of invoice of such amounts.

3.9 Issuing Bank Reporting Requirements

. In addition to the notices required by Section 3.5(B), each Issuing Bank shall, no later than the tenth (10th) Business Day following the last day of each month, provide to the Administrative Agent, upon the Administrative Agent's request, schedules, in form and substance reasonably satisfactory to the Administrative Agent, showing the date of issue, account party, Agreed Currency and amount in such Agreed Currency, expiration date and the reference number of each Letter of Credit issued by it outstanding at any time during such month and the aggregate amount payable by the applicable Borrower during such month. In addition, upon the request of the Administrative Agent, each Issuing Bank shall furnish to the Administrative Agent copies of any Letter of Credit and any application for or reimbursement agreement with respect to a Letter of Credit to which the Issuing Bank is party and such other documentation as may reasonably be requested by the Administrative Agent. Upon the request of any Lender, the Administrative Agent will provide to such Lender information concerning such Letters of Credit.

3.10 Indemnification; Exoneration.

(A) In addition to amounts payable as elsewhere provided in this Article III, each Borrower hereby agrees to protect, indemnify, pay and save harmless the Administrative Agent, each Issuing Bank and each Lender from and against any and all liabilities and costs which the Administrative Agent, such Issuing Bank or such Lender may incur or be subject to as a consequence, direct or indirect, of (i) the issuance of any Letter of Credit other than, in the case of the applicable Issuing Bank, to the extent resulting from its gross negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, or (ii) the failure of the applicable Issuing Bank to honor a drawing under a Letter of Credit as a result of any act or omission, whether rightful or wrongful, of any present or future de jure or de facto Governmental Authority (all such acts or omissions herein called “**Governmental Acts**”).

(B) As among the Borrowers, the Lenders, the Administrative Agent and the Issuing Banks, each Borrower assumes all risks of the acts and omissions of, or misuse of such Letter of Credit by, the beneficiary of any Letter of Credit. In furtherance and not in limitation of the foregoing, subject to the provisions of the Letter of Credit applications and Letter of Credit reimbursement agreements executed by each Borrower at the time of request for any Letter of Credit, neither the Administrative Agent, any Issuing Bank nor any Lender shall be responsible (in the absence of gross negligence or willful misconduct in connection therewith, as determined by the final judgment of a court of competent jurisdiction): (i) for the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of a Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) for failure of the beneficiary of a Letter of Credit to comply duly with conditions required in order to draw upon such Letter of Credit; (iv) for errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, or other similar form of teletransmission or otherwise; (v) for errors in interpretation of technical trade terms; (vi) for any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit or of the proceeds thereof; (vii) for the misapplication by the beneficiary of a Letter of Credit of the proceeds of any drawing under such Letter of Credit; and (viii) for any consequences arising from causes beyond the control of the Administrative Agent, the Issuing Banks and the Lenders, including, without limitation, any Governmental Acts. None of the above shall affect, impair, or prevent the vesting of any Issuing Bank’s rights or powers under this Section 3.10.

(C) In furtherance and extension and not in limitation of the specific provisions hereinabove set forth, any action taken or omitted by any Issuing Bank under or in connection with the Letters of Credit or any related certificates shall not, in the absence of gross negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, put the applicable Issuing Bank, the Administrative Agent or any Lender under any resulting liability to the applicable Borrower or relieve the applicable Borrower of any of its obligations hereunder to any such Person.

(D) Without prejudice to the survival of any other agreement of the Borrowers hereunder, the agreements and obligations of the Borrowers contained in this Section 3.10 shall

survive the payment in full of principal and interest hereunder, the termination of the Letters of Credit and the termination of this Agreement.

3.11 Cash Collateral

. Notwithstanding anything to the contrary herein or in any application for a Letter of Credit, following the occurrence and during the continuance of a Default upon the request of the Required Lenders or upon payout or termination of this Agreement in full in cash, each Borrower shall, on the Business Day that it receives Administrative Agent's demand or as required pursuant to Section 9.1, deliver to the Administrative Agent for the benefit of the Lenders and the Issuing Banks, cash, or other collateral of a type satisfactory to the Required Lenders, having a value, as determined by such Lenders, equal to one hundred two percent (102%) of the aggregate Dollar Amount of its outstanding L/C Obligations; provided that, upon the occurrence of a Default under Section 8.1(F) or 8.1(G), such obligation to post cash collateral shall be deemed automatically effective. Any such collateral shall be held by the Administrative Agent in a separate interest-bearing account appropriately designated as a cash collateral account in relation to this Agreement and the Letters of Credit and retained by the Administrative Agent for the benefit of the Lenders and the Issuing Banks as collateral security for the applicable Borrower's obligations in respect of this Agreement and each of the Letters of Credit. Such amounts shall be applied to reimburse the Issuing Banks for drawings or payments under or pursuant to Letters of Credit, or if no such reimbursement is required, to payment of such of the other Obligations as the Administrative Agent shall determine. Amounts remaining in any cash collateral account established pursuant to this Section 3.11 which are not applied to reimburse an Issuing Bank for amounts actually paid or to be paid by such Issuing Bank in respect of a Letter of Credit shall be returned to the applicable Borrower within one (1) Business Day (after deduction of the Administrative Agent's expenses incurred in connection with such cash collateral account).

ARTICLE IV: CHANGE IN CIRCUMSTANCES

4.1 Yield Protection

. If any Change in Law:

(A) subjects the Administrative Agent, any Lender, any applicable Lending Installation or any Issuing Bank to any tax, levy, impost, deduction, fee, assessment, duty, charge or withholding, and any interest, penalties or liabilities with respect thereto, (excluding (1) Taxes, which are governed by Section 2.14(E), (2) amounts included in clauses (b) through (d) of the definition of Excluded Taxes, (3) Connection Income Taxes and (4) any other taxes for which such Lender has been reimbursed by such Borrower), on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, or

(B) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender, any applicable Lending Installation or any Issuing Bank (other than reserves and assessments taken into account in determining the interest rate applicable to Eurocurrency Rate Loans) with respect to its Revolving Loan Commitment, Loans, L/C Interests or the Letters of Credit, or

(C) imposes any other condition the result of which is to increase the cost to any Lender, any applicable Lending Installation or any Issuing Bank of making, funding or maintaining its

Revolving Loan Commitment, the Loans, the L/C Interests or the Letters of Credit or reduces any amount receivable by any Lender, any applicable Lending Installation or any Issuing Bank in connection with Loans or Letters of Credit, or requires any Lender or any applicable Lending Installation or any Issuing Bank to make any payment calculated by reference to the amount of its Revolving Loan Commitment, Loans or the L/C Interests held or interest received by it or by reference to the Letters of Credit;

and the result of any of the foregoing is to increase the cost to that Lender or Issuing Bank of making, renewing or maintaining its Revolving Loan Commitment, Loans, L/C Interests, or Letters of Credit or to reduce any amount received under this Agreement, then, within fifteen (15) days after receipt by the Administrative Agent or the applicable Borrower of written demand by such Lender or Issuing Bank pursuant to Section 4.5, the applicable Borrower shall pay the Administrative Agent or such Lender or Issuing Bank that portion of such increased expense incurred or reduction in an amount received which the Administrative Agent or such Lender or Issuing Bank determines is attributable to making, funding and maintaining its Loans, L/C Interests, Letters of Credit and its Revolving Loan Commitment; provided, however, that such Borrower shall not be required to pay any additional amounts pursuant to this Section 4.1 incurred more than 90 days prior to the date of the relevant Lender's demand therefor.

4.2 Changes in Capital Adequacy Regulations

. If any Lender or Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing by an amount deemed material by such Lender or Issuing Bank the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Loans or Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy or liquidity), then from time to time the applicable Borrower will pay to such Lender or Issuing Bank, as the case may be, within fifteen (15) days after receipt by the applicable Borrower of written demand by such Lender or Issuing Bank pursuant to Section 4.5, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

Failure or delay on the part of any Lender or Issuing Bank to demand compensation pursuant to this Section 4.2 shall not constitute a waiver of such Lender's or Issuing Bank's right to demand such compensation; provided, that the applicable Borrower shall not be required to compensate a Lender or Issuing Bank pursuant to this Section for any such increased cost or reduction incurred more than 90 days prior to the date that such Lender or Issuing Bank demands, or notifies such Borrower of its intention to demand, compensation therefor, provided further that, if the Change in Law giving rise to such increased cost or reduction is retroactive, then such 90-day period referred to above shall be extended to include the period of retroactive effect thereof.

4.3 Changed Circumstances

(a) Circumstances Affecting Eurocurrency Rate, Adjusted Daily Simple RFR and Term RFR Availability.

(i) Subject to clause (c) below, in connection with any RFR Loan, a request therefor, a conversion to or continuation thereof or otherwise, if for any reason (A) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that (x) if Adjusted Daily Simple RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, reasonable and adequate means do not exist for ascertaining Adjusted Daily Simple RFR pursuant to the definition thereof or (y) if Term RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, reasonable and adequate means do not exist for ascertaining Term RFR for the applicable Interest Period with respect to a proposed Term RFR Loan on or prior to the first day of such Interest Period, (B) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that a fundamental change has occurred in the foreign exchange markets with respect to an applicable Alternative Currency (including changes in national or international financial, political or economic conditions or currency exchange rates or exchange controls) or (C) the Required Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that (x) if Adjusted Daily Simple RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, Adjusted Daily Simple RFR does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans or (y) if Term RFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, Term RFR does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans during the applicable Interest Period and, in the case of (x) or (y), the Required Lenders have provided notice of such determination to the Administrative Agent, then, in each case, the Administrative Agent shall promptly give notice thereof to the Company. Upon notice thereof by the Administrative Agent to the Company, any obligation of the Lenders to make RFR Loans in each such Agreed Currency, and any right of any Borrower to convert any Loan in each such Agreed Currency (if applicable) or continue any Loan as an RFR Loan in each such Agreed Currency, shall be suspended (to the extent of the affected RFR Loans or, in the case of Term RFR Loans, the affected Interest Periods) until the Administrative Agent (with respect to clause (C), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (A) the applicable Borrower may revoke any pending request for a borrowing of, conversion to or continuation of RFR Loans in each such affected Agreed Currency (to the extent of the affected RFR Loans or, in the case of Term RFR Loans, the affected Interest Periods) or, failing that, (I) in the case of any request for a borrowing of an affected RFR Loan in Dollars, the Borrowers will be deemed to have converted any such request into a request for a borrowing of or conversion to Floating Rate Loans in the amount specified therein and (II) in the case of any request for a borrowing of an affected RFR Loan in an Alternative Currency, then such request shall be ineffective and (B) (I) any outstanding affected RFR Loans denominated in Dollars will be deemed to have been converted into Floating Rate Loans immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period and (II) any outstanding affected RFR Loans denominated in an Alternative Currency, at the applicable Borrower's election, shall either (1) be converted into Floating Rate Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Alternative Currency)

immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period or (2) be prepaid in full immediately or, in the case of Term RFR Loans, at the end of the applicable Interest Period; provided that if no election is made by the applicable Borrower by the date that is three (3) Business Days after receipt by the Company of such notice or, in the case of Term RFR Loans, the last day of the current Interest Period for the applicable RFR Loan, if earlier, the Borrowers shall be deemed to have elected clause (1) above. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest (except with respect to any prepayment or conversion of a Daily Simple RFR Loan) on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 4.4.

(ii) Subject to clause (c) below, in connection with any Eurocurrency Rate Loan, a request therefor, a continuation thereof otherwise, if for any reason (A) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that deposits are not being offered to banks in the London or other applicable offshore interbank market for the applicable Agreed Currency, amount and Interest Period of such Loan, (B) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that a fundamental change has occurred in the foreign exchange or interbank markets with respect to the applicable Alternative Currency (including changes in national or international financial, political or economic conditions or currency exchange rates or exchange controls), (C) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist for the ascertaining the Adjusted Eurocurrency Rate for such Agreed Currency and Interest Period, including because the Screen Rate for the applicable Agreed Currency is not available or published on a current basis, or (D) the Required Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that the Adjusted Eurocurrency Rate does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans during such Interest Period and shall have provided notice of such determination to the Administrative Agent, then, in each case, the Administrative Agent shall promptly give notice thereof to the Company. Upon notice thereof by the Administrative Agent to the Company, any obligation of the Lenders to make Eurocurrency Rate Loans in each such Agreed Currency, and any right of the Borrowers to continue any Loan as a Eurocurrency Rate Loan in each such Agreed Currency, shall be suspended (to the extent of the affected Eurocurrency Rate Loans or the affected Interest Periods) until the Administrative Agent (with respect to clause (D), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (A) any pending request for a borrowing of or continuation of Eurocurrency Rate Loans in each such affected Agreed Currency (to the extent of the affected Eurocurrency Rate Loans or the affected Interest Periods) shall be ineffective and (B)(I) any outstanding affected Eurocurrency Rate Loans denominated in Dollars will be deemed to have been converted into Floating Rate Loans at the end of the applicable Interest Period and (II) any outstanding affected Eurocurrency Rate Loans denominated in an Alternative Currency, at the Borrower's election, shall either (1) be converted into Floating Rate Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Alternative Currency) at the end of the applicable Interest Period or (2) be prepaid in full at the end of the applicable Interest Period; provided that if no election is made by the applicable Borrower by the date that is the earlier of (x) the date that is three (3) Business Days after receipt by the Company of such notice and (y) the last day of the current Interest Period for the applicable Eurocurrency Rate Loan, the Borrowers shall be deemed to have elected clause (1) above. Upon any such

prepayment or conversion, the applicable Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 4.4.

(b) Laws Affecting Adjusted Eurocurrency Rate, Adjusted Daily Simple RFR and Term RFR Availability. If, after the date hereof, the introduction of, or any change in, any applicable law or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any of the Lenders (or any of their respective lending offices) with any request or directive (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, shall make it unlawful or impossible for any of the Lenders (or any of their respective lending offices) to honor its obligations hereunder to make or maintain any Daily Simple RFR Loan, Term RFR Loan or Eurocurrency Rate Loan, or to determine or charge interest based upon any applicable RFR, Adjusted Daily Simple RFR, Term RFR, the Eurocurrency Base Rate or the Adjusted Eurocurrency Rate, such Lender shall promptly give notice thereof to the Administrative Agent and the Administrative Agent shall promptly give notice to the Company and the other Lenders. Thereafter, until the Administrative Agent notifies the Company that such circumstances no longer exist, (i) any obligation of the Lenders to make RFR Loans or Eurocurrency Rate Loans, as applicable, in the affected Agreed Currency or Agreed Currencies, and any right of the Borrowers to convert any Loan denominated in Dollars to an RFR Loan or a Eurocurrency Rate Loan or continue any Loan as an RFR Loan or a Eurocurrency Rate Loan, as applicable, in the affected Agreed Currency or Agreed Currencies shall be suspended and (ii) if necessary to avoid such illegality, the Administrative Agent shall compute the Alternate Base Rate without reference to clause (c) of the definition of "Alternate Base Rate", in each case until each such affected Lender notifies the Administrative Agent and the Company that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrowers shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, (A) convert all RFR Loans or Eurocurrency Rate Loans denominated in Dollars to Floating Rate Loans or (B) convert all RFR Loans or Eurocurrency Rate Loans denominated in an affected Alternative Currency to Floating Rate Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Alternative Currency) (in each case, if necessary to avoid such illegality, the Administrative Agent shall compute the Alternate Base Rate without reference to clause (c) of the definition of "Alternate Base Rate"), (I) with respect to Daily Simple RFR Loans, on the Payment Date therefor, if all affected Lenders may lawfully continue to maintain such Daily Simple RFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such Daily Simple RFR Loans to such day or (II) with respect to Eurocurrency Rate Loans or Term RFR Loans, on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Eurocurrency Rate Loans or Term RFR Loans, as applicable, to such day, or immediately, if any Lender may not lawfully continue to maintain such Eurocurrency Rate Loans or Term RFR Loans, as applicable, to such day. Upon any such prepayment or conversion, the applicable Borrower shall also pay accrued interest (except with respect to any prepayment or conversion of a Daily Simple RFR Loan) on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 4.4.

(c) Benchmark Replacement Setting.

(i) Benchmark Replacement.

(A) Notwithstanding anything to the contrary herein or in any other Loan Document, if the USD LIBOR Transition Date has occurred prior to the Reference Time in respect of any setting of the Adjusted Eurocurrency Rate for Dollars, then (x) if a Benchmark Replacement is determined in accordance with clause (b)(1) or (b)(2) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date, such Benchmark Replacement will replace the then-current Benchmark with respect to Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b)(3) of the definition of “Benchmark Replacement” for the USD LIBOR Transition Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(B) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Other Benchmark Rate Election, as applicable, with respect to any Benchmark, the Administrative Agent and the Company may amend this Agreement to replace such Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event or an Other Benchmark Rate Election, as applicable, will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Company so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 4.3(c)(i)(B) will occur prior to the applicable Benchmark Transition Start Date.

(C) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, if a Term RFR Transition Date has occurred prior to the Reference Time in respect of any setting of the then-current Benchmark consisting of an Adjusted Daily Simple RFR (including an Adjusted Daily Simple RFR implemented as a Benchmark Replacement pursuant to Section 4.3(c)(i)(A) or Section 4.3(c)(i)(B)) for the applicable Agreed Currency, then the applicable Benchmark Replacement will replace such Benchmark for all purposes hereunder or under any Loan Document

in respect of such Benchmark for the applicable Agreed Currency setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that this clause (C) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Company a Term RFR Notice with respect to the applicable Term RFR Transition Event. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term RFR Notice after a Term RFR Transition Event and may elect or not elect to do so in its sole discretion.

(D) No Hedging Agreement shall be deemed to be a “Loan Document” for purposes of this Section 4.3(c).

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, 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 Loan 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 Loan Document.

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Company and the Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Company of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 4.3(c)(iv). Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 4.3(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 4.3(c).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if any then-current Benchmark is a term rate (including any Term RFR, USD LIBOR, EURIBOR or TIBOR) and either (1) 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 (2) 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 “Interest 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 (B) if a tenor that was removed pursuant to clause (A) above either (1) is subsequently displayed on a screen or information service for a Benchmark

(including a Benchmark Replacement) or (2) 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 “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Company’s receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, (A) the Borrowers may revoke any pending request for a borrowing of, conversion to or continuation of RFR Loans or Eurocurrency Rate Loans, in each case, to be made, converted or continued during any Benchmark Unavailability Period denominated in the applicable Agreed Currency and, failing that, (I) in the case of any request for any affected RFR Loans or a Eurocurrency Rate Loans, in each case, denominated in Dollars, if applicable, the applicable Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Floating Rate Loans in the amount specified therein and (II) in the case of any request for any affected RFR Loan or Eurocurrency Rate Loan, in each case, in an Alternative Currency, if applicable, then such request shall be ineffective and (B) (I) any outstanding affected RFR Loans or Eurocurrency Rate Loans, in each case, denominated in Dollars, if applicable, will be deemed to have been converted into Floating Rate Loans immediately or, in the case of Term RFR Loans or Eurocurrency Rate Loans, at the end of the applicable Interest Period and (II) any outstanding affected RFR Loans or Eurocurrency Rate Loans, in each case, denominated in an Alternative Currency, at the applicable Borrower’s election, shall either (1) be converted into Floating Rate Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Alternative Currency) immediately or, in the case of Term RFR Loans or Eurocurrency Rate Loans, at the end of the applicable Interest Period or (2) be prepaid in full immediately or, in the case of Term RFR Loans or Eurocurrency Rate Loans, at the end of the applicable Interest Period; provided that, with respect to any Daily Simple RFR Loan, if no election is made by the applicable Borrower by the date that is three (3) Business Days after receipt by the Company of such notice, the Borrowers shall be deemed to have elected clause (1) above; provided, further that, with respect to any Eurocurrency Rate Loan or Term RFR Loan, if no election is made by the applicable Borrower by the earlier of (x) the date that is three (3) Business Days after receipt by the Company of such notice and (y) the last day of the current Interest Period for the applicable Eurocurrency Rate Loan or Term RFR Loan, the Borrowers shall be deemed to have elected clause (1) above. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest (except with respect to any prepayment or conversion of a Daily Simple RFR Loan) on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 4.3. During a Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of the Alternate Base Rate based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of Alternate Base Rate.

(d) Illegality. If, in any applicable jurisdiction, the Administrative Agent, any Issuing Bank or any Lender determines that any applicable law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Administrative Agent, any Issuing Bank or any Lender to (i) perform any of its obligations hereunder or under any other Loan Document, (ii) to fund or maintain its participation in any Loan or (iii) issue, make, maintain, fund or charge interest or fees with respect to any Loan, Letter of Credit or other extension of credit to any Borrower that is a Foreign Subsidiary, such Person shall promptly notify the Administrative Agent, then, upon the Administrative Agent notifying the Company, and until such notice by such Person is revoked, any obligation of such Person to issue, make, maintain, fund or charge interest or fees with respect to any such Loan, Letter of Credit or other extension of credit shall be suspended, and to the extent required by applicable law, cancelled. Upon receipt of such notice, the Borrowers shall, (A) repay that Person's participation in the Loans or other applicable Obligations on the applicable Payment Date for any Daily Simple RFR Loan or on last day of the Interest Period for any Eurocurrency Rate Loan or Term RFR Loan, or on another applicable date with respect to another Obligation, occurring after the Administrative Agent has notified the Company or, in each case, if earlier, the date specified by such Person in the notice delivered to the Administrative Agent (being no earlier than the last day of any applicable grace period permitted by applicable law) and (B) take all reasonable actions requested by such Person to mitigate or avoid such illegality.

4.4 Funding Indemnification

. Subject to Section 2.4(B), if any payment of a Fixed-Rate Loan or Daily Simple RFR Loan occurs on a date which is not (x) the last day of the applicable Interest Period with respect to any Fixed-Rate Loan or (y) on a date other than on the Payment Date therefor with respect to any Daily Simple RFR Loan, whether because of acceleration, prepayment, or otherwise, or a Fixed-Rate Loan or Daily Simple RFR Loan is not made on the date specified by the applicable Borrower for any reason other than default by the Lenders, such Borrower shall indemnify each Lender for any loss or cost incurred by it resulting therefrom, including, without limitation, any loss or cost in liquidating or employing deposits acquired to fund or maintain the Fixed-Rate Loan or Daily Simple RFR Loan.

4.5 Lender Statements; Survival of Indemnity

. If reasonably possible, each Lender shall designate an alternate Lending Installation with respect to its Fixed-Rate Loans or Daily Simple RFR Loans to reduce any liability of any Borrower to such Lender under Sections 4.1 and 4.2 or to avoid the unavailability of a Type of Advance under Section 4.3, so long as such designation is not materially disadvantageous, in the judgment of the Lender, to such Lender. Any demand for compensation pursuant to Section 2.14(E) or this Article IV shall be in writing and shall state the amount due, if any, under Section 2.14(E), 4.1, 4.2, or 4.4 and shall set forth in reasonable detail the calculations upon which such Lender determined such amount and shall be final, conclusive, and binding on the Borrowers in the absence of manifest error. Determination of amounts payable under such Sections in connection with a Fixed-Rate Loan shall be calculated as though each Lender funded its Fixed-Rate Loan or Daily Simple RFR Loan through the purchase of a deposit of the type, currency and maturity corresponding to the deposit used as a reference in determining the Eurocurrency Rate, Term RFR Rate or Adjusted Daily Simple RFR Rate applicable to such Loan, whether in fact that is the case or not. The obligations of the

Borrowers under Sections 2.14(E), 4.1, 4.2, or 4.4 shall survive payment of the Obligations and termination of this Agreement.

ARTICLE V: CONDITIONS PRECEDENT

5.1 Initial Advances and Letters of Credit

. The Lenders shall not be required to make the initial Loans or issue any Letters of Credit unless the Company has furnished to the Administrative Agent each of the following, with sufficient copies for the Lenders (or direct delivery to applicable Lenders in the case of items (9) and (10) below), all in form and substance reasonably satisfactory to the Administrative Agent and the Lenders:

(1) Executed copies of (a) this Agreement executed by the Borrowers, the Administrative Agent, the Lenders, the Swing Line Bank and the Issuing Banks, (b) the Domestic Subsidiary Guaranty executed by each Domestic Subsidiary Guarantor, (c) a Foreign Subsidiary Guaranty executed by each Foreign Subsidiary Guarantor and (d) any other applicable Loan Documents;

(2) Copies of the Certificate of Incorporation (or other comparable constituent document) of each member of the Initial Obligor Group, together with all amendments and, where applicable, a certificate of good standing, both certified by the appropriate governmental officer in its jurisdiction of organization (and resolutions of other bodies, if any are deemed necessary by counsel for any Lender) or, in respect of any German Obligor, an up-to date copy of (i) the articles of association (*Satzung*), (ii) the shareholders list (*Gesellschafterliste*) and (iii) the commercial register excerpt (*Handelsregisterauszug*);

(3) Copies, certified by the Secretary, Assistant Secretary or other comparable officer of each member of the Initial Obligor Group, of its By-Laws (or other comparable governing document) and of its board of directors' (and resolutions of other bodies, if any are deemed necessary by counsel for any Lender) or, in the case of any German Obligor, shareholders' resolutions, authorizing the execution of the Loan Documents;

(4) An incumbency certificate, executed by the Secretary, Assistant Secretary or other comparable officer of each member of the Initial Obligor Group, which shall identify by name and title and bear the signature of the officers of the members of the Initial Obligor Group authorized to sign the Loan Documents (and, in the case of the Borrowers, to make borrowings hereunder), upon which certificate the Lenders shall be entitled to rely until informed of any change in writing by the Company, or, with respect to any German Obligor, a certificate of an authorised signatory of such German Obligor, including a specimen of the signature of each person authorised in relation to the Loan Documents, certifying that each copy document relating to such German Obligor specified in paragraphs (2) and (3) as well as the specimen signatures, relating to it is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of such certificate;

(5) A certificate, in form and substance satisfactory to the Administrative Agent, signed by the chief financial officer or treasurer of the Company, stating that on the date of this Agreement all the representations in this Agreement are true and correct in all

material respects or, with respect to any representation that is qualified by materiality or Material Adverse Effect, all respects (unless such representation and warranty is made as of a specific date, in which case, such representation and warranty shall be true in all material respects or all respects, as applicable, as of such date) and no Default or Unmatured Default has occurred and is continuing;

(6) Written money transfer instructions reasonably requested by the Administrative Agent, addressed to the Administrative Agent and signed by an Authorized Signer;

(7) Receipt in cash of the fees agreed to in the Fee Letters;

(8) The written opinions of the Borrowers' and the Subsidiary Guarantors' counsel in the forms of the opinions attached hereto as Exhibit E, addressed to the Administrative Agent, the Issuing Banks and the Lenders, in form and substance reasonably acceptable to the Administrative Agent and its counsel, with respect to (without limitation) the due authorization, execution and enforceability of this Agreement and the other Loan Documents;

(9) All documentation and other information requested by the Administrative Agent or any Lender in order to comply with requirements of any Anti-Money Laundering Laws, including, without limitation, the PATRIOT Act and any applicable "know your customer" rules and regulations;

(10) For each member of the Initial Obligor Group or Subsidiary thereof that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to such member of the Initial Obligor Group or such Subsidiary (including delivery to each Lender requesting the same), in each case at least five (5) Business Days prior to the Closing Date; and

(11) Such other documents as the Administrative Agent or any Lender or its counsel may have reasonably requested, including, without limitation, each document reflected on the List of Closing Documents attached as Exhibit F to this Agreement.

5.2 Each Advance and Letter of Credit

. The Lenders shall not be required to make any Advance, or issue, extend or increase any Letter of Credit, unless on the applicable Borrowing Date, or in the case of a Letter of Credit, the date on which the Letter of Credit is to be issued, extended or increased:

(A) There exists no Default or Unmatured Default;

(B) The representations and warranties contained in Article VI are true and correct in all material respects or, with respect to any representation that is qualified by materiality or Material Adverse Effect, all respects, as of such Borrowing Date (unless such representation and warranty is made as of a specific date, in which case, such representation and warranty shall be true in all material respects or all respects, as applicable, as of such date); and

(C) The Revolving Credit Obligations do not, and after making such proposed Advance or issuing such Letter of Credit would not, exceed the Aggregate Revolving Loan Commitment.

Each Borrowing/Election Notice with respect to each such Advance and the letter of credit application with respect to each Letter of Credit shall constitute a representation and warranty by the applicable Borrower that the conditions contained in Sections 5.2(A), (B) and (C) have been satisfied. For the avoidance of doubt, this Section 5.2 does not apply to the conversion or continuation of any existing Revolving Loan.

5.3 Designation of a Foreign Subsidiary Borrower

. The designation of a Foreign Subsidiary Borrower pursuant to Section 2.23 is subject to the condition precedent that the Company or such proposed Foreign Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent:

(A) Copies, certified by the Secretary or Assistant Secretary of such Subsidiary, of its board of directors' (or equivalent governing body's) resolutions (and resolutions of other bodies, if any are deemed necessary by counsel for the Administrative Agent) or, in the case of any German Obligor, shareholders' resolutions, approving the Borrowing Subsidiary Agreement and any other Loan Documents to which such Subsidiary is becoming a party;

(B) An incumbency certificate, executed by the Secretary or Assistant Secretary of such Subsidiary, which shall identify by name and title and bear the signature of the officers of such Subsidiary authorized to request borrowings hereunder and sign the Borrowing Subsidiary Agreement and the other Loan Documents to which such Subsidiary is becoming a party, upon which certificate the Administrative Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Company or such Subsidiary, or, with respect to any German Obligor, a certificate of an authorised signatory of such German Obligor, including a specimen of the signature of each person authorised in relation to the Loan Documents, certifying that the specimen signatures, relating to it is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of such certificate;

(C) Opinions of counsel to such Subsidiary, in form and substance reasonably satisfactory to the Administrative Agent and its counsel, with respect to the laws of its jurisdiction of organization and such other matters as are reasonably requested by counsel to the Administrative Agent and addressed to the Administrative Agent and the Lenders, including, without limitation, tax and regulatory opinions;

(D) Any promissory notes requested by any Lender, and any other instruments and documents reasonably requested by the Administrative Agent, each in such form as the Administrative Agent may reasonably require; and

(E) To the extent there are Foreign Subsidiary Borrowers having Significant Foreign Subsidiaries and such guaranty is required in accordance with the terms of the definition of Foreign Subsidiary Guarantor, a Foreign Subsidiary Guaranty, in the form attached hereto as Exhibit I-2, executed by each Foreign Subsidiary Guarantor.

ARTICLE VI: REPRESENTATIONS AND WARRANTIES

In order to induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Loans and the other financial accommodations to the Borrowers and to issue the Letters of Credit described herein, each Borrower represents and warrants as follows to each Lender and the Administrative Agent as of the Closing Date, giving effect to the consummation of the transactions contemplated by the Loan Documents on the Closing Date, and thereafter on each date as required by Section 5.2:

6.1 Organization; Corporate Powers

. Each of such Borrowers and its Significant Subsidiaries (i) is a corporation, partnership or limited liability company duly organized, validly existing and, where applicable, in good standing under the laws of the jurisdiction of its organization, (ii) is duly qualified to do business as a foreign entity and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing would reasonably be expected to have a Material Adverse Effect, and (iii) has all requisite power and authority to own, operate and encumber its property and to conduct its business as presently conducted and as proposed to be conducted. No member of the Obligor Group nor any Subsidiary thereof is an Affected Financial Institution.

6.2 Authority; Enforceability.

(A) Each Borrower and each other member of the Obligor Group has the requisite power and authority to execute, deliver and perform each of the Loan Documents which have been executed by it as required by this Agreement and the other Loan Documents.

(B) The execution, delivery, and performance, of each of the Loan Documents which have been executed as required by this Agreement, the other Loan Documents or otherwise to which such Borrower or any other member of the Obligor Group is party, and the consummation of the transactions contemplated thereby, have been duly authorized by all requisite corporate, partnership or limited liability company acts (including any required shareholder or partner approval) of such Borrower and/or such other member of the Obligor Group.

(C) Each of the Loan Documents to which such Borrower or any other member of the Obligor Group is a party has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (except as enforceability may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally and general equitable principles).

6.3 No Conflict; Governmental Consents

. The execution, delivery and performance of each of the Loan Documents to which such Borrower or any other member of the Obligor Group is a party do not and will not (i) conflict with the certificate or articles of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization or formation, by-laws, operating agreement or other management agreement (or other applicable constituent documents) of such Borrower or any other member of the Obligor Group, (ii) conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under any Requirement of Law (including, without limitation, any Environmental Property Transfer Act) or Contractual Obligation of such Borrower or any such other member of the Obligor Group, or require termination of any Contractual Obligation, except such breach, default or termination which individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect, or (iii) result in or require the creation or imposition of any Lien whatsoever upon any of the property or assets of such Borrower or any other member of the Obligor Group, other than Liens permitted or created by the Loan Documents. Except as set forth on Schedule 6.3 to this Agreement, the execution, delivery and performance of each of the Loan Documents to which such Borrower or any other member of the Obligor Group is a party do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by any Governmental Authority, including under any Environmental Property Transfer Act, except filings, consents or notices which have been made, obtained or given, or which, if not made, obtained or given, individually or in the aggregate could not reasonably be expected to have a Material Adverse

Effect.

6.4 Financial Statements

. The consolidated financial statements of the Company and its Subsidiaries at and for the year ended September 30, 2018 heretofore delivered to the Administrative Agent and the Lenders were prepared in accordance with generally accepted accounting principles in effect on the date such statements were prepared and fairly present the consolidated financial condition and operation of the Company and its Subsidiaries at September 30, 2018 and the consolidated results of their operations for the period then ended.

6.5 No Material Adverse Change

. Since September 30, 2018, except as disclosed (x) in any of the Company's Form 10-Q, 10-K, or 8-K filings with the Commission subsequent to September 30, 2018 but prior to the Closing Date, or (y) in any letter or confidential offering memorandum delivered by the Company to the Administrative Agent and the Lenders prior to the Closing Date, there has occurred no change in the business, properties, financial condition, performance, or results of operations of the Company and its Subsidiaries taken as a whole, or any other event which has had or would reasonably be expected to have a Material Adverse Effect.

6.6 Taxes

. Each of the Company and its Subsidiaries has filed or caused to be filed all federal and other material tax returns which are required to be filed by it and, except for (i) taxes and assessments being, or which will promptly be, contested in good faith and reserved for in accordance with generally accepted accounting principles as in effect from time to time (if and to the extent so required) and (ii) taxes the nonpayment of which could not reasonably be expected to have a Material Adverse Effect, have paid or caused to be paid all taxes as shown on said returns or any assessment received by it, to the extent that such taxes have become due.

6.7 Litigation; Loss Contingencies and Violations

. There is no action, suit, proceeding, arbitration or, to any Borrower's knowledge, investigation before or by any Governmental Authority or private arbitrator pending or, to any Borrower's knowledge, threatened in writing against the Company, any of its Subsidiaries or any property of any of them which could reasonably be expected to have a Material Adverse Effect.

6.8 Subsidiaries

. As of the Closing Date, Schedule 6.8 to this Agreement (i) contains a description of the corporate structure of the Company, its Subsidiaries and any other Person in which the Company or any of its Subsidiaries holds a material Equity Interest; and (ii) accurately sets forth (A) the correct legal name and the jurisdiction of organization, (B) a listing of all of the Company's Significant Subsidiaries, (C) the issued and outstanding shares of each class of Capital Stock of each of the Company's Subsidiaries and the owners of such shares, and (D) a summary of the direct and indirect partnership, joint venture, or other material Equity Interests, if any, which

the Company and each Subsidiary of the Company holds in any Person that is not a corporation. Except as disclosed on Schedule 6.8, as of the Closing Date, there are no warrants or options outstanding with respect to the issued and outstanding Capital Stock of the Company or any of the Company's Subsidiaries. Except as disclosed on Schedule 6.8, as of the Closing Date, none of the issued and outstanding Capital Stock of the Company or any of the Company's Subsidiaries is subject to any redemption right or repurchase agreement pursuant to which the Company or any Subsidiary is or may become obligated to redeem or repurchase its Capital Stock. All outstanding Capital Stock of each of the Company's Subsidiaries is duly authorized, validly issued, fully paid and nonassessable and is not Margin Stock.

6.9 ERISA

. Except as disclosed on Schedule 6.9, no ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect or a Default. The minimum funding standards of ERISA and the Code with respect to each Plan have been satisfied, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect or a Default. Neither the Company nor any member of the Controlled Group has failed to make an installment or any other payment which could result in a lien under Section 430(k) of the Code. As of the Closing Date, no Borrower is a Benefit Plan, subject to the accuracy of the Lender's representations, warranties and covenants in Section 10.20 hereof, or will be using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Revolving Loan Commitments.

6.10 Accuracy of Information

. The information, exhibits and reports furnished by such Borrower and any of its Significant Subsidiaries, or by the Company on behalf of any of such Borrower or any of its Significant Subsidiaries, to the Administrative Agent or to any Lender in connection with the negotiation of, or compliance with, the Loan Documents, the representations and warranties of the Company and its Subsidiaries contained in the Loan Documents, and all certificates and documents delivered to the Administrative Agent and the Lenders pursuant to the terms thereof (excluding any forecasts and projections of financial information and results submitted to any Lender as works in process or as materials not otherwise required to be submitted to the Commission), taken as a whole, do not contain as of the date thereof any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading in any material respect. As of the Closing Date, all of the information included in the Beneficial Ownership Certification is true and correct.

6.11 Securities Activities

. Neither the Company nor any of its Subsidiaries is engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

6.12 Material Agreements

.

(A) Neither such Borrower nor any of such Borrower's Subsidiaries is a party to or subject to any Contractual Obligation, which, as of such date, individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(B) No member of the senior management of either such Borrower or any of its Subsidiaries has received written notice that (i) it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Contractual Obligation to which it is a party, or (ii) any condition exists which, with the giving of notice or the lapse of time or both, would constitute a default with respect to any such Contractual Obligation, in each case, which default has, or if not remedied within any applicable grace period could reasonably be likely to have, a Material Adverse Effect.

6.13 Compliance with Laws

. Such Borrower and its Subsidiaries are in compliance with all Requirements of Law applicable to them and their respective businesses, in each case where the failure to so comply individually or in the aggregate would reasonably be expected to have a Material Adverse Effect.

6.14 Assets and Properties

. Each of such Borrower and its Significant Subsidiaries has good and sufficient title to all of its material real and personal properties owned by it or a valid leasehold interest in all of its leased assets (except insofar as marketability may be limited by any laws or regulations of any Governmental Authority affecting such assets), and all such assets and property are free and clear of all Liens, except Liens permitted under Section 7.3(C), and except for those defects in title and Liens that, individually or in the aggregate, would not have a Material Adverse Effect.

6.15 Statutory Indebtedness Restrictions

. Neither the Company nor any of its Subsidiaries is subject to regulation under the Federal Power Act, or the Investment Company Act of 1940, or any other foreign, federal or state statute or regulation which limits its ability to incur indebtedness or its ability to consummate the transactions contemplated hereby.

6.16 Labor Matters

. To the knowledge of any Borrower, no attempt to organize the employees of the Company or any of its Subsidiaries, and no labor disputes, strikes or walkouts affecting the operations of the Company or any of its Subsidiaries, is pending, or, to the Company's or such Subsidiaries' knowledge, threatened, planned or contemplated which would reasonably be expected to have a Material Adverse Effect.

6.17 Environmental Matters

. Except as disclosed on Schedule 6.17 to this Agreement,

(A) the operations of the Company and its Subsidiaries comply in all respects with all Environmental, Health or Safety Requirements of Law, except where such failure would not reasonably be expected to have a Material Adverse Effect;

(B) the Company and its Subsidiaries have all permits, licenses or other authorizations required under all Environmental, Health or Safety Requirements of Law and are in compliance with such permits, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect;

(C) neither the Company, any of its Subsidiaries nor any of their respective present property or operations, or, to the Company's or any of its Subsidiaries' knowledge, any of their respective past property or operations, are subject to or the subject of, any investigation known to the Company or any of its Subsidiaries, any judicial or administrative proceeding, order, judgment,

decree, settlement or other agreement respecting: (A) any violation of Environmental, Health or Safety Requirements of Law; (B) any remedial action; or (C) any claims or liabilities arising from the Release or threatened Release of a Contaminant into the environment, in each case, which would reasonably be expected to have a Material Adverse Effect;

(D) there is not now, nor to the Company's or any of its Subsidiaries' knowledge has there ever been, on or in the property of the Company or any of its Subsidiaries any landfill, waste pile, underground storage tanks, aboveground storage tanks, surface impoundment or hazardous waste storage facility of any kind, any polychlorinated biphenyls (PCBs) used in hydraulic oils, electric transformers or other equipment, or any asbestos containing material, in each case, which would reasonably be expected to have a Material Adverse Effect; and

(E) to the knowledge of the Company or any of its Subsidiaries, neither the Company nor any of its Subsidiaries has any Contingent Obligation in connection with any Release or threatened Release of a Contaminant into the environment which would reasonably be expected to have a Material Adverse Effect.

6.18 Insurance

. The Company maintains, and has caused each Significant Subsidiary to maintain, with financially sound and reputable insurance companies, insurance on all of its property in such amounts, subject to deductibles and self-insurance retentions, and covering such properties and risks, as is consistent with sound business practices.

6.19 Solvency

. As of the Closing Date and immediately after the making of the Loans, (i) the fair value of the assets of the Company and its Subsidiaries on a consolidated basis, at a fair valuation, will exceed their consolidated debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the consolidated properties of the Company and its Subsidiaries will be greater than the amount that will be required to pay the probable liability of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) the Company and its Subsidiaries on a consolidated basis will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) the Company and its Subsidiaries will not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted after the Closing Date.

6.20 Anti-Corruption Laws and Sanctions

. The Company has implemented and maintains in effect policies and procedures designed to ensure material compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Company, its Subsidiaries and, to the knowledge of the Company, their respective officers, employees, directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and, in the case of any Foreign Subsidiary Borrower, is not knowingly engaged in any activity that could reasonably be expected to result in such Borrower being designated as a Sanctioned Person. None of (a) the Company, any Subsidiary or to the knowledge of an Authorized Officer of the Company any of their respective directors, officers or employees, or (b) to the knowledge of an Authorized Officer of the Company, any agent of the Company or any Subsidiary that acts in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No

Advance or Letter of Credit, use of proceeds or other transactions hereunder will violate any Anti-Corruption Law or applicable Sanctions.

The representations in this Section 6.20 shall not be made or deemed to be made to or for the benefit of any Credit Party that qualifies as a resident party domiciled in Germany (*Inländer*) within the meaning of section 2 paragraph 15 of the German Foreign Trade Act (*Außenwirtschaftsgesetz*) or any director, officer or employee thereof to the extent that these representations would result in a violation of, or conflict with, section 7 German Foreign Trade Regulation (*Außenwirtschaftsverordnung*), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation on the part of that Credit Party or any director, officer or employee thereof (for the avoidance of doubt, without prejudice to the general applicability of Council Regulation (EC) 2271/96).

ARTICLE VII: COVENANTS

The Company covenants and agrees that so long as any Revolving Loan Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than contingent indemnity obligations) and termination of all Letters of Credit (or cash collateralization thereof in accordance with Section 3.11), unless the Required Lenders shall otherwise give prior written consent:

7.1 Reporting

. The Company shall:

(A) Financial Reporting. Furnish to the Administrative Agent (with sufficient copies for each of the Lenders, which copies shall be distributed to the Lenders by the Administrative Agent):

(i) Quarterly Reports. As soon as practicable, and in any event no later than the earlier to occur of (x) the sixtieth (60th) day after the end of each of the first three fiscal quarters of each fiscal year of the Company, and (y) the tenth (10th) day after the date on which any of the following items are required to be delivered to the Commission, the consolidated balance sheet of the Company and its Subsidiaries as at the end of such period and the related statement of consolidated earnings of the Company and its Subsidiaries for such fiscal quarter and the related statements of consolidated earnings and consolidated cash flows of the Company and its Subsidiaries for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, certified by the chief financial officer of the Company on behalf of the Company as fairly presenting in all material respects the consolidated financial position of the Company and its Subsidiaries as at the dates indicated and the results of their operations and cash flows for the periods indicated in accordance with generally accepted accounting principles as in effect from time to time, subject to normal year-end audit adjustments and the absence of footnotes. With respect to any fiscal quarter, if all of the foregoing information is fairly, accurately and completely set forth in the Company's Form 10-Q filing with the Commission for such fiscal quarter, such Form 10-Q filing with the Commission shall be deemed delivery to the Administrative Agent of the information required under this Section 7.1(A)(i); provided, however, that the Company must comply

with the foregoing timing requirements for such delivery or deemed delivery whether constituting a Form 10-Q filing or another report and must deliver any corresponding compliance certificates hereunder when due.

(ii) Annual Reports. As soon as practicable, and in any event no later than the earlier to occur of (x) the one-hundredth (100th) day after the end of each fiscal year of the Company, and (y) the tenth (10th) day after the date on which any of the following items are required to be delivered to the Commission, (a) the consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year and the related statements of consolidated earnings, consolidated shareholders' equity and consolidated cash flows of the Company and its Subsidiaries for such fiscal year, and in comparative form the corresponding figures for the previous fiscal year in form and substance sufficient to calculate the financial covenants set forth in Section 7.4, and (b) an audit report on the items listed in clause (a) hereof of Deloitte or any other independent certified public accountants of recognized national standing, which audit report shall be unqualified and shall state that such financial statements fairly present the consolidated financial position of the Company and its Subsidiaries as at the dates indicated and the results of their operations and cash flows for the periods indicated in conformity with generally accepted accounting principles as in effect from time to time and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards. With respect to any fiscal year, if all of the foregoing information is fairly, accurately and completely set forth in the Company's Form 10-K filing with the Commission for such fiscal year, such Form 10-K filing with the Commission shall be deemed delivery to the Administrative Agent of the information required under this Section 7.1(A)(ii); provided, however, that the Company must comply with the foregoing timing requirements for such delivery or deemed delivery whether constituting a Form 10-K filing or another report and must deliver any corresponding compliance certificates hereunder when due.

(iii) Officer's Certificate. Together with each delivery of any financial statement (a) pursuant to clauses (i) and (ii) of this Section 7.1(A), an Officer's Certificate of the Company, substantially in the form of Exhibit G attached hereto and made a part hereof, stating that as of the date of such Officer's Certificate no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof and (b) pursuant to clauses (i) and (ii) of this Section 7.1(A), a compliance certificate, substantially in the form of Exhibit H attached hereto and made a part hereof, signed by the Company's chief financial officer, (1) demonstrating compliance, when applicable, with the provisions of Section 7.4, and (2) calculating the Leverage Ratio for purposes of determining the then Applicable Eurocurrency/RFR Margin, Applicable Floating Rate Margin, Applicable L/C Fee Percentage and Applicable Unused Fee Percentage.

(B) Notice of Default. Promptly upon any Authorized Officer of the Company obtaining knowledge (i) of any condition or event which constitutes a Default or Unmatured

Default, or becoming aware that any Lender or Administrative Agent has given any written notice to any Authorized Officer with respect to a claimed Default or Unmatured Default under this Agreement, or (ii) that any Person has given any written notice to any Authorized Officer of the Company or taken any other action with respect to a claimed default or event or condition of the type referred to in Section 8.1(E), the Company shall deliver to the Administrative Agent and the Lenders an Officer's Certificate specifying (a) the nature and period of existence of any such claimed default, Default, Unmatured Default, condition or event, (b) the notice given or action taken by such Person in connection therewith, and (c) what action the Company has taken, is taking and proposes to take with respect thereto.

(C) Lawsuits. (i) Promptly upon any Authorized Officer obtaining knowledge of the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration, by or before any Governmental Authority, against or affecting the Company or any of its Subsidiaries or any property of the Company or any of its Subsidiaries not previously disclosed pursuant to Section 6.7, which action, suit, proceeding, governmental investigation or arbitration exposes, or in the case of multiple actions, suits, proceedings, governmental investigations or arbitrations arising out of the same general allegations or circumstances which expose, in the Company's reasonable judgment, the Company or any of its Subsidiaries to liability in an amount aggregating \$60,000,000 or more (exclusive of claims covered by insurance policies of the Company or any of its Subsidiaries unless the insurers of such claims have disclaimed coverage or reserved the right to disclaim coverage on such claims and exclusive of claims covered by the indemnity of a financially responsible indemnitor in favor of the Company or any of its Subsidiaries unless the indemnitor has disclaimed or reserved the right to disclaim coverage thereof), give written notice thereof to the Administrative Agent and the Lenders and provide such other information as may be reasonably available to enable each Lender to evaluate such matters; and (ii) in addition to the requirements set forth in clause (i) of this Section 7.1(C), upon request of the Administrative Agent or the Required Lenders, promptly give written notice of the status of any action, suit, proceeding, governmental investigation or arbitration covered by a report delivered pursuant to clause (i) above and provide such other information as may be reasonably available to it that would not jeopardize any attorney-client privilege by disclosure to the Lenders to enable each Lender and the Administrative Agent and its counsel to evaluate such matters.

(D) ERISA Notices. Deliver or cause to be delivered to the Administrative Agent and the Lenders, at the Company's expense, the following information and notices as soon as reasonably possible, and in any event:

(i) within ten (10) Business Days after any member of the Controlled Group obtains knowledge that a Termination Event has occurred which could reasonably be expected to subject the Company or its Subsidiaries to liability individually or in the aggregate that could reasonably be expected to result in a Material Adverse Effect, a written statement of the chief financial officer of the Company describing such Termination Event and the action, if any, which the member of the Controlled Group has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with respect thereto;

(ii) within ten (10) Business Days after the filing of any funding waiver request with the IRS, a copy of such funding waiver request and thereafter all communications received by the Company or a member of the Controlled Group with respect to such request within ten (10) Business Days such communication is received;

(iii) within ten (10) Business Days after the Company or any member of the Controlled Group knows or has reason to know that (a) a Multiemployer Plan has been terminated, (b) the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or (c) the PBGC has instituted or will institute proceedings under Section 4042 of ERISA to terminate a Multiemployer Plan, a notice describing such matter; and

(iv) within ten (10) Business Days after the Company or any member of the Controlled Group fails to make a required installment or any other required payment to a Single Employer Plan which could result in the imposition of a lien under Section 430(k) of the Code, a notice thereof.

For purposes of this Section 7.1(D), the Company and any member of the Controlled Group shall be deemed to know all facts known by the administrator of any Single Employer Plan or Multiemployer Plan of which the Company or any member of the Controlled Group is the plan sponsor or a contributing sponsor.

(E) Labor Matters. Notify the Administrative Agent and the Lenders in writing, promptly upon an Authorized Officer of the Company learning of (i) any material labor dispute to which the Company or any of its Significant Subsidiaries may become a party, including, without limitation, any strikes, lockouts or other disputes relating to such Persons' plants and other facilities, which dispute would reasonably be expected to have a Material Adverse Effect and (ii) any Worker Adjustment and Retraining Notification Act liability incurred with respect to the closing of any plant or other facility of the Company or any of its Significant Subsidiaries which would reasonably be expected to have a Material Adverse Effect.

(F) Other Indebtedness. Deliver to the Administrative Agent (i) a copy of each regular report, notice or written communication regarding potential or actual defaults (including any accompanying officer's certificate) delivered by or on behalf of the Company to the holders of funded Indebtedness with an aggregate outstanding principal amount in excess of \$60,000,000 pursuant to the terms of the agreements governing such Indebtedness, such delivery to be made at the same time and by the same means as such notice of default is delivered to such holders, and (ii) a copy of each written notice or other written communication received by the Company from the holders of funded Indebtedness with an aggregate outstanding principal amount in excess of \$60,000,000 regarding potential or actual defaults pursuant to the terms of such Indebtedness, such delivery to be made promptly after such notice or other communication is received by the Company.

(G) Other Reports. Deliver or cause to be delivered to the Administrative Agent and the Lenders copies of (i) all financial statements, reports and material written notices, if any, sent by the Company to its securities holders or filed with the Commission by the Company, and (ii)

all notifications received from the Commission by the Company or its Subsidiaries pursuant to the Securities Exchange Act of 1934 and the rules promulgated thereunder. The Company shall include the Administrative Agent and the Lenders on its standard distribution lists for all press releases made available generally by the Company to the public concerning material developments in the business of the Company or any such Subsidiary.

(H) Environmental Notices. As soon as possible and in any event within twenty (20) days after receipt by the Company, a copy of (i) any notice or claim to the effect that the Company or any of its Significant Subsidiaries is or may be liable to any Person as a result of the Release by the Company, any of its Significant Subsidiaries, or any other Person of any Contaminant into the environment, and (ii) any notice alleging any violation of any Environmental, Health or Safety Requirements of Law by the Company or any of its Subsidiaries if, in either case, such notice or claim relates to an event which could reasonably be expected to subject the Company or any of its Significant Subsidiaries to liability individually or in the aggregate in excess of \$60,000,000.

(I) Other Information. Promptly upon receiving a request therefor from the Administrative Agent, prepare and deliver to the Administrative Agent and the Lenders such other information with respect to the Company, any of its Subsidiaries, as from time to time may be reasonably requested by the Administrative Agent.

7.2 Affirmative Covenants.

(A) Corporate Existence, Etc. Except as permitted pursuant to Section 7.3(I), the Company shall, and shall cause each of its Significant Subsidiaries to, at all times maintain its valid existence and (to the extent such concept applies to such entity) in good standing as a corporation, partnership or limited liability company in its jurisdiction of incorporation or organization, as the case may be, and preserve and keep, or cause to be preserved and kept, in full force and effect its rights and franchises material to its businesses, unless, in the good faith judgment of the Company, the failure to preserve any such rights or franchises would not reasonably be expected to have a Material Adverse Effect.

(B) Corporate Powers; Conduct of Business. The Company shall, and shall cause each of its Significant Subsidiaries to, qualify and remain qualified to do business in each jurisdiction in which the nature of its business requires it to be so qualified and where the failure to be so qualified will have or would reasonably be expected to have a Material Adverse Effect.

(C) Compliance with Laws, Beneficial Ownership Regulation, Etc. The Company shall, and shall cause its Subsidiaries to, (a) comply with all Requirements of Law (including, without limitation, Section 302 and Section 906 of the Sarbanes-Oxley Act of 2002) and all restrictive covenants affecting such Person or the business, properties, assets or operations of such Person, and (b) obtain as needed all permits necessary for its operations and maintain such permits in good standing unless failure to comply with such Requirements of Law or such covenants or to obtain or maintain such permits would not reasonably be expected to have a Material Adverse Effect. The Company will maintain in effect and enforce policies and procedures designed to ensure compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions. This paragraph Section 7.2(C) shall not be made or deemed to be made to or for the benefit of any Credit Party

that qualifies as a resident party domiciled in Germany (*Inländer*) within the meaning of section 2 paragraph 15 of the German Foreign Trade Act (*Außenwirtschaftsgesetz*) or any director, officer or employee thereof to the extent that it would result in a violation of, or conflict with, section 7 German Foreign Trade Regulation (*Außenwirtschaftsverordnung*), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation on the part of that Credit Party or any director, officer or employee thereof (for the avoidance of doubt, without prejudice to the general applicability of Council Regulation (EC) 2271/96). The Company will (i) notify the Administrative Agent and each Lender that previously received a Beneficial Ownership Certification of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified therein and (ii) promptly upon the reasonable request of the Administrative Agent or any Lender, provide the Administrative Agent or such Lender, as the case may be, any information or documentation requested by it for purposes of complying with the Beneficial Ownership Regulation.

(D) Payment of Taxes and Claims; Tax Consolidation. The Company shall pay, and cause each of its Subsidiaries to pay, (i) all material taxes, assessments and other governmental charges imposed upon it or on any of its properties or assets or in respect of any of its franchises, business, income or property before any penalty accrues thereon, and (ii) all claims (including, without limitation, claims for labor, services, materials and supplies) for sums which have become due and payable and which by law have or may become a Lien (other than a Lien permitted by Section 7.3(C)) upon any of the Company's or such Subsidiary's property or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, however, that no such taxes, assessments and governmental charges referred to in clause (i) above or claims referred to in clause (ii) above (and interest, penalties or fines relating thereto) need be paid if (x) being, or will promptly be, contested in good faith by appropriate proceedings diligently instituted and conducted and if such reserve or other appropriate provision, if any, as shall be required in conformity with generally accepted accounting principles as in effect from time to time shall have been made therefor, or (y) the nonpayment of all such taxes, assessments and other governmental charges would not reasonably be expected to have a Material Adverse Effect.

(E) Insurance. The Company shall maintain for itself and its Significant Subsidiaries, or shall cause each of its Significant Subsidiaries to maintain in full force and effect, such insurance policies and programs (including self-insurance) as reflect coverage and self-insurance that is reasonably consistent with prudent industry practice for similarly situated companies operating in the same or similar locations.

(F) Inspection of Property; Books and Records; Discussions. The Company shall permit and cause each of the Company's Significant Subsidiaries to permit, any authorized representative(s) designated by either the Administrative Agent (which may include representatives of any Lender) or, after the occurrence and during the continuation of any Default, any Lender, to visit and inspect any of the properties of the Company or any of its Significant Subsidiaries, to examine, audit, check and make copies of their respective financial and accounting records, books, journals, orders, receipts and any correspondence and other data relating to their respective businesses or the transactions contemplated hereby (including, without limitation, in connection with environmental compliance, hazard or liability), and to discuss their affairs, finances and accounts with their officers, all upon reasonable notice and at such reasonable times

during normal business hours, as often as may be reasonably requested, provided, that unless a Default shall have occurred and be continuing, no more than one (1) such inspection per year by the Administrative Agent shall be at the Company's expense. Notwithstanding anything to the contrary, nothing in this Agreement will require the Company or any Subsidiary to disclose, permit the inspection, examination or making copies of, or discussion of, any document, information or other matter, or provide information (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure is prohibited by law or binding agreement or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product; provided that in the event that the Company does not provide information that otherwise would be required to be provided hereunder in reliance on the exclusions in this sentence relating to violation of any obligation of confidentiality, the Company shall use commercially reasonable efforts to provide notice to the Administrative Agent promptly upon obtaining knowledge that such information is being withheld (but solely if providing such notice would not violate such obligation of confidentiality). The Company shall keep and maintain, in all material respects, proper books of record and account on a consolidated basis in which entries in material conformity with Agreement Accounting Principles shall be made of all dealings and transactions in relation to their respective businesses and activities. The Company shall cause each of its Significant Subsidiaries to keep and maintain, in all material respects, proper books of record and account. If a Default has occurred and is continuing, the Company, upon the Administrative Agent's request, shall provide copies of such records to the Administrative Agent or its representatives.

(G) ERISA Compliance. The Company shall, and shall cause each of its Subsidiaries to, maintain and operate all Plans to comply in all material respects with the provisions of ERISA and shall operate all Plans to comply in all material respects with the applicable provisions of the Code, all other applicable laws, and the regulations and interpretations thereunder and the respective requirements of the governing documents for such Plans, unless the failure to maintain, operate and comply with the foregoing, as applicable, would not reasonably be expected to have a Material Adverse Effect.

(H) Maintenance of Property. The Company shall cause all material property used in the conduct of its business or the business of any Significant Subsidiary to be maintained and kept in adequate condition, repair and working order and supplied with all necessary equipment and shall cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly conducted at all times, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect; provided, however, that nothing in this Section 7.2(H) shall prevent the Company from discontinuing the operation or maintenance of any of such property if such discontinuance is, in the judgment of the Company, desirable in the conduct of its business or the business of any Subsidiary.

(I) Environmental Compliance. The Company and its Significant Subsidiaries shall comply with all Environmental, Health or Safety Requirements of Law, except where noncompliance would not reasonably be expected to have a Material Adverse Effect.

(J) Use of Proceeds.

(i) The Borrowers shall use the proceeds of the Revolving Loans for general corporate purposes and ongoing working capital needs of such Borrower and its Subsidiaries (including, without limitation, to consummate Permitted Acquisitions and to make capital expenditures). The Borrowers will not, nor will any Borrower permit any Subsidiary to, use any of the proceeds of the Loans to purchase or carry any Margin Stock.

(ii) No Borrower will request any Advance or Letter of Credit, and no Borrower shall use, and the Company shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Advance, Incremental Term Loan or Letter of Credit (x) 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, (y) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state or (z) in any manner that would result in the violation of any Sanctions applicable to any party hereto. This Section 7.2(J)(ii) shall not apply for the benefit of any Credit Party that qualifies as a resident party domiciled in Germany (*Inländer*) within the meaning of section 2 paragraph 15 of the German Foreign Trade Act (*Außenwirtschaftsgesetz*) or any director, officer or employee thereof to the extent that it would result in a violation of, or conflict with, section 7 German Foreign Trade Regulation (*Außenwirtschaftsverordnung*), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation on the part of that Credit Party or any director, officer or employee thereof (for the avoidance of doubt, without prejudice to the general applicability of Council Regulation (EC) 2271/96).

(K) Subsidiary Guarantees. The Company will (a) cause (i) each Domestic Incorporated Subsidiary that becomes a Significant Domestic Incorporated Subsidiary after the Closing Date in connection with a Permitted Acquisition to execute and deliver to the Administrative Agent, as promptly as possible, but in any event not later than sixty (60) days after becoming a Significant Domestic Incorporated Subsidiary (or such later date as agreed to by the Administrative Agent in writing in its sole discretion), an executed Supplement to become a Domestic Subsidiary Guarantor under the Domestic Subsidiary Guaranty in the form of Annex I-1 to the Domestic Subsidiary Guaranty (whereupon such Subsidiary shall become a “Domestic Subsidiary Guarantor” under this Agreement), (ii) each Domestic Incorporated Subsidiary becomes a Significant Domestic Incorporated Subsidiary after the Closing Date other than in connection with a Permitted Acquisition to execute and deliver to the Administrative Agent, as promptly as possible, but in any event not later than the later of (x) the date that is sixty (60) days after becoming a Significant Domestic Incorporated Subsidiary and (y) the date on which the first financial statements and compliance certificates after becoming a Significant Domestic Incorporated Subsidiary are required to be delivered pursuant to Section 7.1(A) are delivered (or such later date as agreed to by the Administrative Agent in writing in its sole discretion), an executed Supplement to become a Domestic Subsidiary Guarantor under the Domestic Subsidiary

Guaranty in the form of Annex I-1 to the Domestic Subsidiary Guaranty (whereupon such Subsidiary shall become a “Domestic Subsidiary Guarantor” under this Agreement), (iii) each Foreign Subsidiary that becomes a Significant Foreign Subsidiary of a Foreign Subsidiary Borrower after the Closing Date in connection with a Permitted Acquisition (subject to there being no unreasonable adverse tax impact thereof) to execute and deliver to the Administrative Agent, as promptly as possible, but in any event not later than sixty (60) days after becoming such a Significant Foreign Subsidiary (or such later date as agreed to by the Administrative Agent in writing in its sole discretion), an executed Supplement to become a Foreign Subsidiary Guarantor under the Foreign Subsidiary Guaranty in the form of Annex I-2 to the Foreign Subsidiary Guaranty (whereupon such Subsidiary shall become a “Foreign Subsidiary Guarantor” under this Agreement), and (iv) each Foreign Subsidiary that becomes a Significant Foreign Subsidiary of a Foreign Subsidiary Borrower after the Closing Date other than in connection with a Permitted Acquisition (subject to there being no unreasonable adverse tax impact thereof) to execute and deliver to the Administrative Agent, as promptly as possible, but in any event not later than the later of (x) the date that is sixty (60) days after becoming a Significant Foreign Subsidiary and (y) the date on which the first financial statements and compliance certificates after becoming a Significant Foreign Subsidiary are required to be delivered pursuant to Section 7.1(A) are delivered (or such later date as agreed to by the Administrative Agent in writing in its sole discretion), an executed Supplement to become a Foreign Subsidiary Guarantor under the Foreign Subsidiary Guaranty in the form of Annex I-2 to the Foreign Subsidiary Guaranty (whereupon such Subsidiary shall become a “Foreign Subsidiary Guarantor” under this Agreement), and (b) deliver and cause each such Domestic Incorporated Subsidiary or Foreign Subsidiary to deliver corporate resolutions, opinions of counsel, and such other corporate documentation as the Administrative Agent may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent. Upon the Company’s written request of and certification to the Administrative Agent that (i) a Domestic Incorporated Subsidiary is no longer a Significant Domestic Incorporated Subsidiary or (ii) a Foreign Subsidiary is no longer a Significant Foreign Subsidiary, the Administrative Agent, as contemplated in the Domestic Subsidiary Guaranty or the Foreign Subsidiary Guaranty, as applicable, shall release such Domestic Incorporated Subsidiary or Foreign Subsidiary from its duties and obligations under the Domestic Subsidiary Guaranty or Foreign Subsidiary Guaranty, as applicable; provided, that if such Domestic Incorporated Subsidiary or Foreign Subsidiary subsequently qualifies as a Significant Domestic Incorporated Subsidiary or Significant Foreign Subsidiary, it shall be required to re-execute the Domestic Subsidiary Guaranty or Foreign Subsidiary Guaranty, as applicable.

7.3 Negative Covenants.

(A) Indebtedness. Neither the Company nor any of its Subsidiaries shall directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except:

- (i) the Obligations;
- (ii) Permitted Existing Indebtedness and Permitted Refinancing Indebtedness;

- (iii) Indebtedness in respect of obligations secured by Customary Permitted Liens;
- (iv) Indebtedness constituting Contingent Obligations permitted by Section 7.3(E);
- (v) Indebtedness arising from intercompany loans and advances; provided, that, except with respect to Indebtedness under a securitization transaction, the aggregate principal amount of intercompany loans and advances to Affiliates which are not members of the Obligor Group from Affiliates which are members of the Obligor Group (in each case, as determined at the time such intercompany loan is made) shall not exceed 10% of Consolidated Tangible Assets at any time outstanding; provided further, that such intercompany loans and advances shall be subject to the subordination provisions of Section 10.14 of this Agreement, Section 6 of the Domestic Subsidiary Guaranty and Section 6 of the Foreign Subsidiary Guaranty, in each case, to the extent applicable in such circumstance.
- (vi) Indebtedness in respect of Hedging Obligations permitted under Section 7.3(M);
- (vii) Guarantees of Indebtedness permitted hereunder;
- (viii) Indebtedness of any Person acquired pursuant to a Permitted Acquisition, so long as such Indebtedness was not incurred in contemplation of such acquisition;
- (ix) Indebtedness that is subordinated to the Obligations pursuant to an agreement reasonably acceptable to the Administrative Agent;
- (x) Indebtedness consisting of promissory notes issued to redeem Equity Interests of the Company permitted hereby;
- (xi) Indebtedness with respect to surety, appeal and performance bonds obtained by the Company or any of its Subsidiaries in the ordinary course of business, including Indebtedness arising incurred pursuant to section 8a of the German Act on Partial Retirement (*Altersteilzeitgesetz*) or section 7e of the German Social Security Code Part IV (*Sozialgesetzbuch IV*) including under any bank guarantee, surety (*Bürgschaft*) or any other instrument issued by a bank or financial institution in order to comply with the German Act on Partial Retirement (*Altersteilzeitgesetz*) or the German Social Security Code Part IV (*Sozialgesetzbuch IV*);
- (xii) Indebtedness evidenced by the 2013 Senior Notes, the 2016 Senior Notes and the 2018 Senior Notes (including any Indebtedness of the Subsidiary Guarantors arising under a guaranty of the 2013 Senior Notes, the 2016 Senior Notes or the 2018 Senior Notes);

(xiii) secured or unsecured purchase money Indebtedness (including Capitalized Leases) incurred by the Company or any of its Subsidiaries to finance the acquisition of assets used in its business, if (1) at the time of such incurrence no Default or Unmatured Default has occurred and is continuing or would result from such incurrence, (2) such Indebtedness does not exceed the lower of the fair market value or the cost of the applicable assets on the date acquired, (3) such Indebtedness does not exceed \$80,000,000 in the aggregate outstanding at any time, and (4) any Lien securing such Indebtedness is permitted under Section 7.3(C);

(xiv) Receivables Facility Attributed Indebtedness in an aggregate amount not to exceed \$300,000,000 at any time;

(xv) other Indebtedness in addition to that referred to elsewhere in this Section 7.3(A) incurred and maintained by the Company and its Subsidiaries; provided that the incurrence of such additional Indebtedness does not result in a violation of the Leverage Ratio on a pro forma basis calculated hereunder for the fiscal quarter ending immediately prior to such incurrence; and provided further that no Default or Unmatured Default shall have occurred and be continuing at the date of such incurrence or would immediately result therefrom; and

(xvi) Permitted Refinancing Indebtedness.

(B) Sales of Assets. Neither the Company nor any of its Significant Subsidiaries shall consummate any Asset Sale, except:

(i) transfers of assets between the Company and any wholly-owned Subsidiary of the Company or between wholly-owned Subsidiaries of the Company not otherwise prohibited by this Agreement;

(ii) sales of inventory in the ordinary course of business;

(iii) the disposition in the ordinary course of business of equipment or property that is obsolete, excess, or no longer necessary, used or useful in the Company's or any Subsidiary's business or of any asset in exchange for, or the proceeds of which shall be used to acquire, any replacement asset necessary or useful in the business of the Company or any Subsidiary;

(iv) sales, transfers or assignments of Receivables in connection with receivables purchase facilities; provided, that the aggregate amount of Receivables Facility Attributed Indebtedness arising in connection therewith does not exceed amounts permitted under Section 7.3(A)(xiv);

(v) sales, transfers and other dispositions of accounts receivable in connection with the compromise, settlement or collection thereof consistent with past practice or other customary or reasonable business practices;

(vi) sales, transfers, leases and other dispositions of property that are (x) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business, (y) investments of any Person existing at the time such Person becomes a Subsidiary or consolidates or merges with the Company or any Subsidiary (including in connection with an acquisition) so long as such investments were not made in contemplation of such Person becoming a Subsidiary or of such consolidation or merger or (z) another asset received as consideration for the disposition of any asset permitted by this Section (in each case, other than Equity Interests in a Subsidiary, unless all Equity Interests in such Subsidiary are sold);

(vii) leases entered into in the ordinary course of business, and sale and leaseback transactions, in each case, to the extent that they do not materially interfere with the business of the Company and its Subsidiaries and the sale of such assets and the related Indebtedness under any resulting Capitalized Lease would otherwise be permitted hereunder;

(viii) sales, transfers, licenses or sublicenses of intellectual property in the ordinary course of business, to the extent that they do not materially interfere with the business of the Company and its Subsidiaries;

(ix) dispositions resulting from any casualty or other damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of the Company or any Subsidiary; and

(x) contributions of assets constituting Investments in Joint Ventures that would otherwise be permitted under Section 7.3(D)(xi) and for which no cash proceeds are received;

(xi) the unwinding of Hedging Arrangements; and

(xii) sales, assignments, transfers, leases, conveyances or other dispositions of other assets if such transaction (a) is for not less than fair market value (as determined in good faith by the Company's management or board of directors) and (b) when combined with all such other transactions pursuant to this Section 7.3(B)(xii) (each such transaction being valued at book value) during the then current fiscal year, represents the disposition of assets with an aggregate book value not greater than 15% of the aggregate book value of Consolidated Assets as of the end of the immediately preceding fiscal year. If the proceeds resulting from an Asset Sale are used by the Company or the applicable Subsidiary within 180 days of the date on which such proceeds arose to acquire property useful in such Person's business, then, only for purposes of determining compliance with this Section 7.3(B)(xii), such Asset Sale shall not be included in such determination.

(C) Liens. Neither the Company nor any of its Subsidiaries shall directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any of their respective property or assets except:

- (i) Liens created by the Loan Documents or otherwise securing the Obligations;
- (ii) Permitted Existing Liens;
- (iii) Customary Permitted Liens;
- (iv) purchase money Liens (including the interest of a lessor under a Capitalized Lease and Liens to which any property is subject at the time of the Company's acquisition thereof) securing Indebtedness permitted pursuant to Section 7.3(A)(viii) or (xiii); provided that such Liens shall not apply to any property of the Company or its Subsidiaries other than that purchased or subject to such Capitalized Lease;
- (v) Liens with respect to property acquired by the Company or any of its Subsidiaries after the Closing Date (and not created in contemplation of such acquisition) pursuant to a Permitted Acquisition; provided, that such Liens shall extend only to the property so acquired;
- (vi) Liens with respect to property of any Person the Capital Stock of which is acquired (directly or indirectly) by the Company or any of its Subsidiaries after the Closing Date (and not created in contemplation of such acquisition) pursuant to a Permitted Acquisition; provided, that (x) such Liens (other than Liens of the type described in clause (iv) above) shall extend only to the property of such Person, (y) such Liens shall secure Indebtedness permitted hereunder not in excess of \$70,000,000 in the aggregate and (z) the Company or the applicable Subsidiary shall cause such Liens to be terminated within sixty (60) days of the date on which such Permitted Acquisition is consummated;
- (vii) Liens arising under or in connection with the 2013 Senior Notes, the 2016 Senior Notes, the 2018 Senior Notes, the 2013 Note Agreement, the 2016 Senior Note Agreement, the 2018 Senior Note Agreement and any other senior (unsubordinated) credit, loan or borrowing facility or senior (unsubordinated) note purchase agreement similar in form and substance to any of the foregoing and in a principal amount equal to or greater than \$50,000,000, so long as the creditors under such facility or note purchase agreement agree to be bound by the terms of the Intercreditor Agreement, the collateral securing the Liens of such creditors also secures the Obligations, and the Liens of such creditors are *pari passu* to the Liens securing the Obligations to the extent that the collateral securing such Liens also secures the Obligations;
- (viii) Liens securing Receivables Facility Attributed Indebtedness permitted under Section 7.3(A);

(ix) Liens securing Hedging Obligations pursuant to Hedging Arrangements entered into by the Company and its Subsidiaries in the ordinary course of business and permitted hereby; and

(x) Liens with respect to property of any of Foreign Subsidiaries and securing Indebtedness of Foreign Subsidiaries; provided, that such Liens shall only secure Indebtedness permitted hereunder not in excess of \$80,000,000 in the aggregate;

(xi) other Liens in addition to those described in Sections 7.3(C)(i) through (x) securing Indebtedness not to exceed \$40,000,000 in the aggregate.

In addition, other than such restrictions contained in agreements of the type set forth in clauses (i)-(x) of Section 7.3(L) below, neither the Company nor any of its Subsidiaries shall become a party to any agreement, note, indenture or other instrument, or take any other action, which would prohibit the creation of a Lien on any of its properties or other assets in favor of the Administrative Agent for the benefit of itself and the Lenders, as collateral for the Obligations. Notwithstanding the foregoing, any such agreement, note, indenture or other instrument may prohibit the creation of a Lien in favor of the Administrative Agent for the benefit of itself and the Lenders, as collateral for the Obligations, so long as such prohibition ceases to apply if each of the 2013 Senior Noteholders, the 2016 Senior Noteholders, the 2018 Senior Noteholders and the lenders or creditors under any other senior (unsubordinated) credit, loan or borrowing facility or senior (unsubordinated) note purchase agreement similar in form and substance to any of the foregoing and in a principal amount equal to or greater than \$50,000,000, agree to be bound by the terms of the Intercreditor Agreement, and shall be provided with a Lien that is equal and ratable with any Lien provided to the Administrative Agent for the benefit of itself and the Lenders.

(D) Investments. Except to the extent permitted pursuant to paragraph (G) below, neither the Company nor any of its Subsidiaries shall directly or indirectly make or own any Investment except:

- (i) Investments in cash and Cash Equivalents;
- (ii) Permitted Existing Investments in an amount not greater than the amount thereof on the Closing Date;
- (iii) Investments in trade receivables or received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;
- (iv) Investments consisting of deposit accounts maintained by the Company and its Subsidiaries;
- (v) Investments in (i) Domestic Incorporated Subsidiaries or (ii) Foreign Subsidiaries which provide a guarantee (including gross-up amounts for any withholding taxes or capital charges) of the Obligations (as distinguished from

solely guaranteeing Drawn Foreign Amounts) (each such Foreign Subsidiary, a “Foreign Guarantor”), so long as any guarantee payments made in connection with such guarantee can be shared and applied in accordance with the requirements of the Intercreditor Agreement; provided, however, that any Investment constituting a Permitted Acquisition shall be governed by clause (vii) below and not this clause (v);

(vi) Investments in Foreign Subsidiaries which are not Foreign Guarantors, subject to the Foreign Subsidiary Investment Limitation, if applicable; provided, that (x) intercompany loans permitted pursuant to Section 7.3(A)(v) and assets of Foreign Subsidiaries (other than assets directly or indirectly contributed to such Foreign Subsidiaries by the Company and/or the Significant Domestic Incorporated Subsidiaries after the Closing Date) which are used to make Investments in other Foreign Subsidiaries shall not be included in determining compliance with this clause (vi), (y) prior to consummating any Investment in a Foreign Subsidiary in an amount in excess of \$100,000,000, the Company shall demonstrate to the Administrative Agent’s satisfaction the Company’s and its Subsidiaries’ pro forma compliance or planned pro forma compliance with this clause (vi), and (z) any Investment constituting a Permitted Acquisition shall be governed by clause (vii) below and not this clause (vi);

(vii) Investments constituting Permitted Acquisitions; provided, that the Leverage Ratio will not exceed 3.50 to 1.00 immediately after giving effect to (x) any Permitted Acquisition during the Leverage Ratio Increase Period (including the Permitted Acquisition which triggered the beginning of such Leverage Ratio Increase Period) where the net consideration therefor is \$50,000,000 or more, or (y) any Permitted Acquisition in excess of \$150,000,000 (as demonstrated by the Company on a pro forma basis to the Administrative Agent’s satisfaction for any such Permitted Acquisition in excess of \$150,000,000, with no such demonstration of pro forma compliance being required pursuant to this Section 7.3(D)(vii) for any such Permitted Acquisition less than or equal to \$150,000,000); provided, further, that if a Foreign Subsidiary (the “Acquiring Foreign Subsidiary”) acquires another Person that becomes a Foreign Subsidiary (the “Target Sub”) as a result of such Acquisition, and the Equity Interests of the Target Sub are transferred in their entirety by the Acquiring Foreign Subsidiary to the Company or a Significant Domestic Incorporated Subsidiary within 60 days after the date on which the Target Sub is initially Acquired, then the Target Sub shall be deemed to have been owned at all times by the Company or the applicable Significant Domestic Incorporated Subsidiary, and, so long as the other conditions for a Permitted Acquisition have been satisfied and the Leverage Ratio test set forth above is met, then the Investment in the Target Sub shall be permitted under this clause (vii);

(viii) Investments constituting Indebtedness permitted by Section 7.3(A), Contingent Obligations permitted by Section 7.3(E) or Restricted Payments permitted by Section 7.3(F);

(ix) Investments consisting of any right of the Company or its wholly-owned Domestic Incorporated Subsidiaries to payment for goods sold or for services rendered, whether or not it has been earned by performance;

(x) Investments comprised of capital contributions (whether in the form of cash, a note, or other assets) to a Subsidiary or other special purpose entity created solely to engage in transactions giving rise to Receivables Facility Attributed Indebtedness permitted hereunder or otherwise resulting from transfers of assets permitted hereunder to such a Subsidiary or special purpose entity;

(xi) Investments in Joint Ventures in an aggregate amount not to exceed \$200,000,000; and

(xii) Investments in addition to those referred to elsewhere in this Section 7.3(D) in an aggregate amount not to exceed \$100,000,000.

(E) Contingent Obligations. Neither the Company nor any of its Subsidiaries shall directly or indirectly create or become or be liable with respect to any Contingent Obligation, except: (i) recourse obligations resulting from endorsement of negotiable instruments for collection in the ordinary course of business; (ii) Permitted Existing Contingent Obligations, together with replacement Contingent Obligations (on substantially similar terms as the Permitted Existing Contingent Obligations) to the extent of any Permitted Refinancing Indebtedness of the Indebtedness that was the subject of such Permitted Existing Contingent Obligations; (iii) obligations, warranties, guarantees and indemnities, not relating to Indebtedness of any Person, which have been or are undertaken or made in the ordinary course of business and not for the benefit of or in favor of an Affiliate of the Company or such Subsidiary; (iv) Contingent Obligations with respect to surety, appeal and performance bonds obtained by the Company or any Subsidiary in the ordinary course of business, (v) Contingent Obligations of the Subsidiary Guarantors under the Domestic Subsidiary Guaranty, the Foreign Subsidiary Guaranty or of a Foreign Guarantor under a guaranty of the Indebtedness under the agreements described in clause (vi) below, (vi) Contingent Obligations of the Subsidiary Guarantors or any of the Company's other Subsidiaries under any guaranty of the Indebtedness arising under the 2013 Senior Notes, the 2016 Senior Notes, the 2018 Senior Notes, the 2013 Note Agreement, the 2016 Senior Note Agreement, the 2018 Senior Note Agreement or any other senior (unsubordinated) credit, loan or borrowing facility or senior (unsubordinated) note purchase agreement similar in form and substance to any of the foregoing and in a principal amount equal to or greater than \$50,000,000, so long as the creditors under such facility or note purchase agreement agree to be bound by the terms of the Intercreditor Agreement, (vii) obligations arising under or related to the Loan Documents, (viii) Contingent Obligations arising in connection with Receivables Facility Attributed Indebtedness permitted under Section 7.3(A); (ix) Contingent Obligations of the Company or any Subsidiary arising from the guaranty of Indebtedness of the Company or any Subsidiary, as applicable, to the extent such Indebtedness was permitted pursuant to Section 7.3(A); (x) Contingent Obligations in respect of representations and warranties customarily given in respect of Asset Sales otherwise permitted hereunder; and (xi) Contingent Obligations, in an aggregate amount not to exceed \$200,000,000 at any time outstanding, arising as a result of the guaranty of any Indebtedness not described in clauses (i) through (x) hereof and otherwise permitted under Section 7.3(A).

(F) Restricted Payments. The Company shall not, and shall not permit any of its Subsidiaries to, declare or make any Restricted Payment if either a Default or an Unmatured Default shall have occurred and be continuing at the date of declaration or payment thereof or would result therefrom; provided, however, that the Company or any Subsidiary may make dividend payments to holders of its Equity Interests or stock repurchases or redemptions pursuant to any Stock Repurchase Plan subsequent to the occurrence of a Default or an Unmatured Default if the payment of such dividends or commitment to make such stock repurchase was publicly announced to such holders of Equity Interests prior to the occurrence of such Default or Unmatured Default. In addition to the foregoing, the Company shall not permit any of its issued and outstanding Capital Stock or any of its Subsidiaries' issued and outstanding Capital Stock to be subject to any redemption right or repurchase agreement pursuant to which the Company or any Subsidiary is or may become obligated to redeem or repurchase its Capital Stock, other than those agreements identified in Schedule 6.8.

(G) Conduct of Business; Subsidiaries; Acquisitions. Neither the Company nor any of its Significant Subsidiaries shall engage in any business other than the businesses engaged in by the Company on the date hereof and any business or activities which are reasonably similar, related or incidental thereto or logical extensions thereof. The Company shall not create, acquire or capitalize any Subsidiary after the date hereof unless (i) no Default or Unmatured Default which is not being cured shall have occurred and be continuing or would result therefrom; (ii) after such creation, acquisition or capitalization, all of the representations and warranties contained herein shall be true and correct in all material respects or, with respect to any representation that is qualified by materiality or Material Adverse Effect, all respects (unless such representation and warranty is made as of a specific date, in which case, such representation or warranty shall be true in all material respects or all respects, as applicable, as of such date); and (iii) after such creation, acquisition or capitalization the Company shall be in compliance with the terms of Section 7.2(K) and Section 7.3(L). Neither the Company nor any Significant Domestic Incorporated Subsidiary shall make any Acquisitions, other than Acquisitions meeting the following requirements or otherwise approved by the Required Lenders (each such Acquisition constituting a "Permitted Acquisition"):

- (i) no Default or Unmatured Default shall have occurred and be continuing or would result from such Acquisition or the incurrence of any Indebtedness in connection therewith;
- (ii) the purchase is consummated pursuant to a negotiated acquisition agreement on a non-hostile basis;
- (iii) prior to each such Acquisition with a purchase price in excess of \$150,000,000, the Company shall deliver to the Administrative Agent a certificate from one of the Authorized Signers, demonstrating to the reasonable satisfaction of the Administrative Agent that after giving effect to such Acquisition and the incurrence of any Indebtedness permitted by Section 7.3(A) in connection therewith, on a pro forma basis using, for any Acquisition, historical financial statements containing reasonable adjustments satisfactory to the Administrative Agent, as if the Acquisition and such incurrence of Indebtedness had occurred on the first day of the twelve-month period ending on the last day of the Company's

most recently completed fiscal quarter, the Company would have been in compliance with the financial covenants in Section 7.4 and not otherwise in Default;

(iv) the Leverage Ratio will not exceed 3.50 to 1.00 immediately after giving effect to (x) any Acquisition during the Leverage Ratio Increase Period (including the Acquisition which triggered the beginning of such Leverage Ratio Increase Period) where the net consideration therefor is \$50,000,000 or more, or (y) any Acquisition in excess of \$150,000,000 (as demonstrated by the Company on a pro forma basis to the Administrative Agent's satisfaction for any such Acquisition in excess of \$150,000,000, including for purposes of calculating such ratio, EBITDA of the Person which is the subject of such Acquisition for the preceding 12 month period, with no such demonstration of pro forma compliance being required pursuant to this Section 7.3(G)(iv) for any such Acquisition less than or equal to \$150,000,000); and

(v) the businesses being acquired shall be reasonably similar, related or incidental to, or a logical extension of, the businesses or activities engaged in by the Company on the Closing Date.

Notwithstanding the foregoing, it is acknowledged and agreed that following any Permitted Acquisition that is consummated in compliance with both this Section 7.3(G) and Section 7.3(D)(vii), the Leverage Ratio for the fiscal quarter during which such Permitted Acquisition was consummated and the next three fiscal quarters thereafter may exceed 3.50 to 1.00 pursuant to Section 7.4(A) if the Leverage Ratio Increase Requirements are satisfied.

(H) Transactions with Affiliates. Neither the Company nor any of its Subsidiaries shall directly or indirectly enter into or permit to exist any transaction (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Company (other than a wholly-owned direct or indirect Subsidiary of the Company), on terms that are (a) not authorized by the board of directors (or equivalent governing body) of the Company or any of its Subsidiaries, as applicable, or (b) less favorable to the Company or any of its Subsidiaries, as applicable, than those that might be obtained in an arm's length transaction at the time from Persons who are not such an Affiliate, except for (i) Restricted Payments permitted by Section 7.3(F), (ii) Investments permitted by Section 7.3(D), (iii) transactions in the ordinary course of business and pursuant to the reasonable requirements of the Company's or such Subsidiary's business and (iv) loans and advances to employees in the ordinary course of business and in amounts consistent with practice in effect prior to the Closing Date.

(I) Restriction on Fundamental Changes. Neither the Company nor any of its Significant Subsidiaries shall enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the Company's consolidated business or property, whether now or hereafter acquired, except (i) transactions permitted under Sections 7.3(B), 7.3(D) or 7.3(G) and, (ii) a Subsidiary of the Company may be merged into or consolidated with the Company (in which case the Company shall be the surviving

corporation) or any wholly-owned Domestic Incorporated Subsidiary of the Company, (iii) a Foreign Subsidiary may be merged into or consolidated with any other wholly-owned Foreign Subsidiary (provided that if involving a Foreign Subsidiary Borrower, the Foreign Subsidiary Borrower shall be the surviving corporation), and (iv) any liquidation of any Subsidiary of the Company into the Company or another Subsidiary of the Company, as applicable.

(J) Margin Regulations. Neither the Company nor any of its Subsidiaries, shall use all or any portion of the proceeds of any credit extended under this Agreement to purchase or carry Margin Stock in such amounts as would cause this Agreement to be deemed a “purpose credit” for purposes of Regulation T.

(K) [Reserved]

(L) Subsidiary Covenants. The Company will not, and will not permit any Significant Subsidiary to, create or otherwise cause to become effective any consensual encumbrance or restriction of any kind on the ability of any Significant Subsidiary to pay dividends or make any other distribution on its stock, or make any other Restricted Payment, pay any Indebtedness or other Obligation owed to the Company or any other Subsidiary, make loans or advances or other Investments in the Company or any other Subsidiary, or sell, transfer or otherwise convey any of its property to the Company or any other Subsidiary other than pursuant to (i) applicable law, (ii) this Agreement or the other Loan Documents, (iii) the 2013 Senior Notes, the 2016 Senior Notes, the 2018 Senior Notes and any other senior (unsubordinated) credit, loan or borrowing facility or senior (unsubordinated) note purchase agreement similar in form and substance to any of the foregoing and in a principal amount equal to or greater than \$50,000,000, so long as the creditors under such facility or note purchase agreement agree to be bound by the terms of the Intercreditor Agreement, (iv) restrictions imposed by the holder of a Lien permitted by Section 7.3(C), (v) restrictions and conditions on the foregoing existing as of the Closing Date, (vi) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary or any assets pending such sale, provided that such restrictions and conditions apply only to the Subsidiary or assets that is or are to be sold and such sale is permitted hereunder, (vii) restrictions or conditions imposed by any agreement relating to any securitization transaction permitted by this Agreement if such restrictions or conditions apply only to the assets and interests therein that are the subject of the securitization transaction or to any Subsidiary which is a special purpose entity party to and whose sole business relates to such securitization transaction, (viii) restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (ix) customary provisions in leases and other contracts restricting the assignment thereof, (x) restrictions and conditions in any existing or future joint venture agreement that restricts the ability of any party to such agreement to create, incur or permit a Lien on the equity interests in the joint venture and (xi) restrictions and conditions in any existing or future license agreement with respect to intellectual property that restricts the ability of any party to such agreement to create, incur or permit a Lien on such intellectual property.

(M) Hedging Obligations. The Company shall not and shall not permit any of its Subsidiaries to enter into any interest rate, commodity or foreign currency exchange, swap, collar, cap or similar agreements evidencing Hedging Obligations, other than interest rate, foreign currency or commodity exchange, swap, collar, cap or similar agreements entered into by the

Company or such Subsidiary pursuant to which the Company or such Subsidiary has hedged its reasonably estimated interest rate, foreign currency or commodity exposure, which are non-speculative in nature. Such permitted hedging agreements entered into by the Company or any Subsidiary and any Lender or any affiliate of any Lender are sometimes referred to herein as “**Hedging Agreements**.”

(N) **Issuance of Disqualified Stock.** From and after the Closing Date, neither the Company, nor any of its Subsidiaries shall issue to any Person (other than the Company or a wholly-owned Subsidiary) any Disqualified Stock unless after giving effect to the next sentence, such Disqualified Stock and Indebtedness is issued in accordance with the terms of this Agreement. All issued and outstanding Disqualified Stock issued to any Person (other than the Company or a wholly-owned Subsidiary) shall be treated as Indebtedness for all purposes of this Agreement (and as funded Indebtedness for purposes of Section 7.1(F)), and the amount of such deemed Indebtedness shall be the aggregate amount of the liquidation preference of such Disqualified Stock.

7.4 Financial Covenants

. The Company shall comply with the following:

(A) **Maximum Leverage Ratio.** The Company and its consolidated Subsidiaries shall not permit the ratio (the “**Leverage Ratio**”) of (i) Net Indebtedness to (ii) EBITDA to be greater than 3.50 to 1.00 for each four (4) fiscal quarter period of the Company beginning with the fiscal quarter ending June 30, 2019 (or, so long as the Leverage Ratio Increase Requirements have been met, 4.00 to 1.00 for the fiscal quarter during which any applicable Permitted Acquisition was consummated and the next three succeeding fiscal quarters).

The Leverage Ratio shall be calculated, in each case, determined as of the last day of each fiscal quarter of the Company based upon (a) for Net Indebtedness, Net Indebtedness as of the last day of each such fiscal quarter; and (b) for EBITDA, the actual amount for the Last Twelve-Month Period, provided, that the Leverage Ratio shall be calculated, with respect to Permitted Acquisitions, on a pro forma basis using historical financial statements and containing reasonable adjustments satisfactory to the Administrative Agent, broken down by fiscal quarter in the Company’s reasonable judgment.

(B) **Minimum Consolidated Net Worth.** The Company shall not permit its Consolidated Net Worth at any time to be less than the sum of (i) \$1,156,000,000 (the applicable “**Base Amount**”) plus (ii) on the last Business Day of each fiscal year, beginning with the fiscal year ending September 30, 2018, the sum of fifty percent (50%) of Net Income (if positive) for such fiscal year, plus (iii) fifty percent (50%) of the net cash proceeds resulting from the issuance by the Company of any Capital Stock, other than shares of Capital Stock issued pursuant to employee stock option or ownership plans; provided, that the effect of adjustments (not in excess of the Maximum Adjustment Amount) in the accumulated other comprehensive earnings accounts of the Company and its Subsidiaries, shall in each case be excluded in calculating the Company’s Consolidated Net Worth. For purposes of this Section 7.4(B), “**Maximum Adjustment Amount**” means 10% of the Base Amount. The Company’s compliance with this covenant shall be calculated and tested as of the end of each fiscal quarter.

ARTICLE VIII: DEFAULTS

8.1 Defaults

. Each of the following occurrences shall constitute a Default under this Agreement:

(A) Failure to Make Payments When Due. (i) The Company shall fail to pay when due any of the Obligations consisting of principal with respect to the Loans or Reimbursement Obligations or (ii) any member of the Obligor Group shall fail to pay within five (5) days of the date when due any of the other Obligations under this Agreement or the other Loan Documents.

(B) Breach of Certain Covenants. The Company shall fail duly and punctually to perform or observe any agreement, covenant or obligation binding on the Company under:

(i) Section 7.1 and such failure shall continue unremedied for thirty (30) days;

(ii) Section 7.2 (other than Section 7.2(J)(ii)) and such failure shall continue unremedied for thirty (30) days after notice thereof from the Administrative Agent or any Lender is delivered to the Company or an Authorized Officer of the Company otherwise becomes aware of such failure, or

(iii) Sections 7.2(J)(ii), 7.3 or 7.4.

(C) Breach of Representation or Warranty. Any representation or warranty made or deemed made by the Company to the Administrative Agent or any Lender herein or by the Company or any of its Subsidiaries in any of the other Loan Documents or in any statement or certificate at any time given by any such Person pursuant to any of the Loan Documents shall be false or misleading in any material respect on the date as of which made (or deemed made).

(D) Other Defaults. The Company shall default in the performance of or compliance with any term contained in this Agreement (other than as covered by paragraphs (A) or (B) of this Section 8.1), or the Company or any of its Subsidiaries shall default in the performance of or compliance with any term contained in any of the other Loan Documents, and such default shall continue unremedied and unwaived for thirty (30) days after the occurrence thereof.

(E) Default as to Other Indebtedness. The Company or any of its Subsidiaries shall fail to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) with respect to any Indebtedness (other than Indebtedness hereunder, but including, without limitation, Disqualified Stock issued to Persons other than the Company or any wholly-owned Subsidiary), beyond any period of grace provided with respect thereto, which individually or together with other such Indebtedness as to which any such failure exists has an aggregate outstanding principal amount in excess of \$60,000,000; or any breach, default or event of default shall occur, or any other condition shall exist under any instrument, agreement or indenture pertaining to any such Indebtedness having such aggregate outstanding principal amount, beyond any period of grace, if any, provided with respect thereto, if the effect thereof is to cause an acceleration, mandatory redemption, a requirement that the Company offer to purchase such Indebtedness or other required repurchase of such Indebtedness, or permit the holder(s) of such Indebtedness to accelerate the maturity of any such Indebtedness, or require a redemption or other repurchase of such Indebtedness or any such Indebtedness shall be otherwise

declared to be due and payable (by acceleration or otherwise) or required to be prepaid, redeemed or otherwise repurchased by the Company or any of its Subsidiaries (other than by a regularly scheduled required prepayment) prior to the stated maturity thereof.

(F) Involuntary Bankruptcy; Appointment of Receiver, Etc.

(i) An involuntary case shall be commenced against the Company, any of the Company's Significant Domestic Incorporated Subsidiaries, or any of the Company's Significant Foreign Subsidiaries and the petition shall not be dismissed, stayed, bonded or discharged within sixty (60) days after commencement of the case; or a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company, any of the Company's Significant Domestic Incorporated Subsidiaries, or any of the Company's Significant Foreign Subsidiaries in an involuntary case, under any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect; or any other similar relief shall be granted under any applicable federal, state, local or foreign law.

(ii) A decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over the Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries or over all or a substantial part of the property of the Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries shall be entered; or an interim receiver, trustee or other custodian of the Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries or of all or a substantial part of the property of the Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries shall be appointed or a warrant of attachment, execution or similar process against any substantial part of the property of the Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within sixty (60) days after entry, appointment or issuance.

(iii) Any member of the Obligor Group incorporated under the laws of the Federal Republic of Germany: (i) is over-indebted (*überschuldet*) within the meaning of section 19 InsO (as applicable from time to time) or unable to pay its debts as they fall due (*zahlungsunfähig*) within the meaning of section 17 InsO, suspends making payments on all or a material part of its debts or announces an intention to do so or (ii) commences negotiations with any one or more of its creditors (other than a Credit Party in its capacity as such) with a view to the general readjustment or rescheduling of its indebtedness or, for any of the reasons set out in sections 17 to 19 InsO or (iii) any such member of the Obligor Group files for insolvency (*Antrag auf Eröffnung eines Insolvenzverfahrens*) or the board of directors or management (*Vorstand oder Geschäftsführung*) of any such member of the Obligor Group is required by law to file for insolvency; or (iv) the competent

court takes any of the actions set out in section 21 InsO or the competent court institutes or rejects (for reason of insufficiency of its funds to implement such proceedings) insolvency proceedings against any such member of the Obligor Group (*Eröffnung des Insolvenzverfahrens*).

(G) Voluntary Bankruptcy; Appointment of Receiver, Etc. The Company, any of the Company's Significant Domestic Incorporated Subsidiaries or any of the Company's Significant Foreign Subsidiaries shall (i) commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, (iii) consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property, (iv) make any assignment for the benefit of creditors or (v) take any corporate action to authorize any of the foregoing.

(H) Judgments and Attachments. Any money judgment(s) (other than a money judgment covered by insurance reasonably satisfactory (including the amount thereof) to the Administrative Agent and as to which the applicable insurance company has not disclaimed or reserved the right to disclaim coverage or subject to indemnity), writ or warrant of attachment, or similar process against the Company or any of its Subsidiaries or any of their respective assets involving in any single case or in the aggregate an amount in excess of \$60,000,000 is or are entered and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days.

(I) Dissolution. Any order, judgment or decree shall be entered against the Company decreeing its involuntary dissolution or split up from its Significant Subsidiaries and such order shall remain undischarged and unstayed for a period in excess of sixty (60) days; or the Company shall otherwise dissolve or cease to exist except as specifically permitted by this Agreement.

(J) Loan Documents. At any time, for any reason, any Loan Document that materially affects the ability of the Administrative Agent or any of the Lenders to enforce the Obligations ceases to be in full force and effect or the Company or any of the Company's Significant Subsidiaries party thereto seek to repudiate their respective obligations thereunder.

(K) ERISA Event. An ERISA Event shall have occurred that, in the opinion of the Required Lenders, individually or when taken together with all other ERISA Events that have occurred, could reasonably be expected to have a Material Adverse Effect.

(L) Installment Payments. The Company or any member of the Controlled Group has failed to make an installment or any other payment which could result in a lien under Section 430(k) of the Code with respect to a liability in excess of \$60,000,000.

(M) Change of Control. A Change of Control shall occur.

(N) Environmental Matters. The Company or any of its Subsidiaries shall be the subject of any proceeding or investigation pertaining to (i) the Release by the Company or any of its Subsidiaries of any Contaminant into the environment, (ii) the liability of the Company or any of its Subsidiaries arising from the Release by any other Person of any Contaminant into the

environment, or (iii) any violation of any Environmental, Health or Safety Requirements of Law by the Company or any of its Subsidiaries, which, in any case, has or is reasonably likely to have a Material Adverse Effect.

(O) Guarantor Revocation. Except as permitted upon the termination of such Foreign Subsidiary Guarantor's parent as a Foreign Subsidiary Borrower, any guarantor of the Obligations shall terminate or revoke any of its obligations under the Domestic Subsidiary Guaranty or the Foreign Subsidiary Guaranty (other than any termination or revocation after release in accordance with this Agreement or any other Loan Document).

(P) Receivables Facility Attributed Indebtedness. An event (such event, a "**Receivables Facility Trigger Event**") shall occur which (i) permits the investors or purchasers in respect of Receivables Facility Attributed Indebtedness of the Company or any Affiliate of the Company to require the early amortization or liquidation of such Receivables Facility Attributed Indebtedness in an aggregate outstanding amount in excess of \$60,000,000 and (x) such Receivables Facility Trigger Event shall not be remedied or waived within the later to occur of the tenth day after the occurrence thereof or the expiry date of any grace period related thereto under the agreement evidencing such Receivables Facility Attributed Indebtedness, or (y) such investors shall require the early amortization or liquidation of such Receivables Facility Attributed Indebtedness as a result of such Receivables Facility Trigger Event, (ii) results in the termination of reinvestments of collections or proceeds of receivables and related assets under the agreements evidencing such Receivables Facility Attributed Indebtedness, or (iii) causes or otherwise permits the replacement or substitution of the Company or any Affiliate thereof as the servicer under the agreements evidencing such Receivables Facility Attributed Indebtedness; provided, however, that this Section 8.1(P) shall not apply on any date with respect to any voluntary request by the Company or an Affiliate thereof for an above-described amortization, liquidation, or termination of reinvestments so long as the aforementioned investors or purchasers cannot independently require on such date such amortization, liquidation or termination of reinvestments.

A Default shall be deemed "continuing" until cured or until waived in writing in accordance with Section 9.3.

ARTICLE IX: ACCELERATION, DEFAULTING LENDERS; WAIVERS, AMENDMENTS AND REMEDIES

9.1 Termination of Revolving Loan Commitments; Acceleration

. If any Default described in Section 8.1(F) or 8.1(G) occurs with respect to any Borrower, the Termination Date shall be deemed to have occurred, all obligations of the Lenders to make Loans hereunder and the obligation of any Issuing Banks to issue Letters of Credit hereunder shall automatically terminate, the Obligations shall immediately become due and payable without any election or action on the part of the Administrative Agent or any Lender and the Borrowers shall be and become thereby unconditionally obligated, without any further notice, act or demand, to pay to the Administrative Agent the cash collateral required pursuant to Section 3.11. If any other Default occurs, the Required Lenders may terminate or suspend the obligations of the Lenders to make Loans hereunder and the obligation of the Issuing Banks to issue Letters of Credit hereunder, or declare the Termination Date to have occurred and the Obligations to be due and payable, or both,

whereupon the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrowers expressly waive.

9.2 Preservation of Rights

. No delay or omission of the Lenders or the Administrative Agent to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Loan or the issuance of a Letter of Credit notwithstanding the existence of a Default or the inability of the applicable Borrower to satisfy the conditions precedent to such Loan or issuance of such Letter of Credit shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 9.3, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Lenders until the Obligations have been paid in full in cash.

9.3 Amendments

. Subject to the provisions of this Article IX and except as otherwise provided in Section 2.22 with respect to an Incremental Term Loan Amendment, the Required Lenders (or the Administrative Agent with the consent in writing of the Required Lenders) and the Borrowers may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrowers hereunder or waiving any Default hereunder; provided, however, that no such supplemental agreement shall, without the consent of each Lender (which is not a Defaulting Lender) affected thereby (provided, that a Defaulting Lender shall be permitted to consent to any increase or extension of its Revolving Loan Commitment or any amendment, waiver or modification which would otherwise require its consent pursuant to clauses (ii) and (iii) below):

(i) Postpone or extend such Lender's Revolving Loan Termination Date or any other date fixed for any payment of principal of, or interest on, the Loans (other than prepayments thereunder), the Reimbursement Obligations or any fees or other amounts payable to such Lender or any modifications of the provisions relating to prepayments of Loans and other Obligations;

(ii) Reduce the principal amount of any Loans or L/C Obligations, or reduce the rate or extend the time of payment of interest or fees thereon; provided, however, that a waiver of the application of the default rate of interest pursuant to Section 2.10 hereof shall only require the approval of the Required Lenders; or

(iii) Increase the amount of the Revolving Loan Commitment of any Lender hereunder, increase any Lender's Pro Rata Share or increase the aggregate principal amount of such Lender's Loans;

provided, further, however, that no such supplemental agreement shall, without the consent of each Lender (which is not a Defaulting Lender):

(i) Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable

percentage in this Agreement to act on specified matters or amend the definitions of “Required Lenders” or “Pro Rata Share” (it being understood that, solely with the consent of the parties prescribed by Section 2.22 to be parties to an Incremental Term Loan Amendment, Incremental Term Loans may be included in the determination of Required Lenders on substantially the same basis as the Revolving Loan Commitments and the Revolving Loans are included on the Closing Date);

- (ii) Permit any Borrower to assign its rights under this Agreement;
- (iii) Other than pursuant to a transaction permitted by the terms of this Agreement, release the Company or any guarantor from its obligations under Section 16.1, the Domestic Subsidiary Guaranty or the Foreign Subsidiary Guaranty;
- (iv) Amend Section 12.2 or 12.3 in a manner that would alter the pro rata sharing of payments required thereby (it being acknowledged and agreed that any Lender’s decision to extend the maturity date for any of its Loans pursuant to an amend and extend transaction and any technical amendments described in the last paragraph of this Section 9.3 shall not require the consent of any other Lender); or
- (v) Amend the definition of “Agreed Currencies” or “Agreed Jurisdictions” or amend Section 2.23, this Section 9.3 or Section 12.3.

No amendment of any provision of this Agreement relating to (a) the Administrative Agent shall be effective without the written consent of the Administrative Agent, (b) Swing Line Loans shall be effective without the written consent of the Swing Line Bank, and (c) any Issuing Bank shall be effective without the written consent of such Issuing Bank. The Administrative Agent may waive payment of the fee required under Section 13.3(C) without obtaining the consent of any of the Lenders.

Notwithstanding the foregoing, the Administrative Agent, the Borrowers, the applicable extending Lenders, the Issuing Bank and the Swing Line Bank may enter into an amendment to or amendment and restatement of this Agreement to implement an extension of the Revolving Loan Termination Date (an “**Extension**”), but without the consent of any other Lenders (except to the extent otherwise required pursuant to the preceding provisos in this Section 9.3), to effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Company, to implement the terms of any such Extension, including any amendments necessary to establish extended Revolving Loan Commitments as a new tranche of Revolving Loan Commitments, and such other technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Company in connection with the establishment of such new tranche (including to preserve the pro rata treatment of the extended and non-extended tranches and to provide for the reallocation of Revolving Credit Obligations upon the expiration or termination of the commitments under any class or tranche).

ARTICLE X: GENERAL PROVISIONS

10.1 Survival of Representations

. All representations and warranties of the Borrowers contained in this Agreement shall survive delivery of this Agreement and the making of the Loans herein contemplated so long as any principal, accrued interest, fees, or any other amount due and payable under any Loan Document is outstanding and unpaid (other than contingent reimbursement and indemnification obligations) and so long as the Revolving Loan Commitments have not been terminated.

10.2 Governmental Regulation

. Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrowers in violation of any limitation or prohibition provided by any applicable statute or regulation.

10.3 Intentionally Omitted.10.4 Headings

. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

10.5 Entire Agreement

. The Loan Documents embody the entire agreement and understanding among the Borrowers, the Administrative Agent, the Co-Syndication Agents and the Lenders and supersede all prior agreements and understandings among the Borrowers, the Administrative Agent and the Lenders relating to the subject matter thereof.

10.6 Several Obligations; Benefits of this Agreement

. The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other Lender (except to the extent to which the Administrative Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns.

10.7 Expenses; Indemnification.

(A) Expenses. The Borrowers shall reimburse the Administrative Agent, the Arrangers and the Co-Syndication Agents for any reasonable and documented costs and out-of-pocket expenses (including reasonable and documented fees, time charges and expenses of attorneys and paralegals for the Administrative Agent) paid or incurred by the Administrative Agent, the Arrangers or the Co-Syndication Agents in connection with the preparation, negotiation, execution, delivery, syndication, review, amendment, modification, and administration of the Loan Documents. The Company also agrees to reimburse the Administrative Agent, the Arrangers, the Co-Syndication Agents and the Lenders for any reasonable and documented costs and out-of-pocket expenses (including reasonable and documented fees, time charges and expenses of attorneys and paralegals for the Administrative Agent, the Arrangers, the Co-Syndication Agents and the Lenders) paid or incurred by the Administrative Agent, the Arrangers, the Co-Syndication Agents or any Lender in connection with the collection of the Obligations and enforcement of the Loan Documents.

(B) Indemnity. The Borrowers further agree to defend, protect, indemnify, and hold harmless the Administrative Agent, each Arranger, each Co-Syndication Agent, and each and all of the Lenders and each of their respective Affiliates, and each of such Administrative Agent's, Arranger's, Co-Syndication Agent's, Lender's, or Affiliate's respective officers, directors, trustees, investment advisors, employees, attorneys, advisors and agents (including, without limitation, those retained in connection with the satisfaction or attempted satisfaction of any of the conditions set forth in Article V) (collectively, the "**Indemnitees**"), based upon its obligations, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, reasonable costs, reasonable expenses of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of:

(i) this Agreement or any of the other Loan Documents, or any act, event or transaction related or attendant thereto or to the making of the Loans, and the issuance of and participation in Letters of Credit hereunder, the management of such Loans or Letters of Credit, the use or intended use of the proceeds of the Loans or Letters of Credit hereunder, or any of the other transactions contemplated by the Loan Documents; or

(ii) any liabilities, obligations, responsibilities, losses, damages, personal injury, death, economic damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or remedial action studies), fines, penalties and monetary sanctions, interest, known or unknown, absolute or contingent, past, present or future relating to violation of any Environmental, Health or Safety Requirements of Law arising from or in connection with the past, present or future operations of the Company, its Subsidiaries or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective property of the Company or its Subsidiaries, the presence of asbestos-containing materials at any respective property of the Company or its Subsidiaries or the Release or threatened Release of any Contaminant into the environment (collectively, the "**Indemnified Matters**");

provided, however, that the foregoing indemnity will not, as to any Indemnitee, apply to losses, claims, damages, liabilities or related expenses to the extent they arise from (i) the willful misconduct, bad faith or gross negligence of, or intentional breach of its material duties and obligations under this Agreement or any of the other Loan Documents by, such Indemnitee (or any of its controlled Affiliates and their respective directors, officers, employees and partners, in each case to the extent involved in the transactions contemplated by this Agreement), in each case, as determined by a final non-appealable judgment of a court of competent jurisdiction or (ii) any disputes solely among Indemnitees and not arising out of any act or omission of any Borrower or any of its Subsidiaries (other than any proceeding against the Administrative Agent solely in its

capacity as such or in fulfilling its role as Administrative Agent, or against any Arranger solely in its capacity or in fulfilling its role as an Arranger). If the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, each Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees.

(C) Waiver of Certain Claims. The Borrowers further agree to assert no claim against any of the Indemnitees on any theory of liability seeking consequential, special, indirect, exemplary or punitive damages.

(D) Survival of Agreements. The obligations and agreements of the Borrowers under this Section 10.7 shall survive the termination of this Agreement.

10.8 Numbers of Documents

. All statements, notices, closing documents, and requests hereunder shall be furnished to the Administrative Agent with sufficient counterparts so that the Administrative Agent may furnish one to each of the Lenders.

10.9 Confidentiality

. Each Lender agrees to hold any confidential information which it may receive from any member of the Obligor Group pursuant to this Agreement in confidence, except for disclosure (i) to its Affiliates and to other Lenders and their respective Affiliates, and, in each case, their respective employees, directors and officers, (ii) to legal counsel, accountants, and other professional advisors to such Lender or to a Transferee, (iii) to regulatory officials, (iv) to any Person as requested pursuant to or as required by law, regulation, or legal process, (v) to any Person in connection with any legal proceeding to which such Lender is a party, (vi) to such Lender's direct or indirect contractual counterparties in Hedging Agreements or to legal counsel, accountants and other professional advisors to such counterparties, (vii) permitted by Section 13.4, (viii) to rating agencies if requested or required by such agencies in connection with a rating relating to the Advances hereunder, (ix) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, and (x) in the event and to the extent such confidential information (A) becomes publicly available other than as a result of breach of this Section or (B) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrowers.

10.10 Severability of Provisions

. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

10.11 Nonliability of Lenders

. The relationship among the Borrowers and the Lenders and the Administrative Agent shall be solely that of borrower and lender. Neither the Administrative Agent nor any Lender shall have any fiduciary responsibilities to any Borrower. Neither the Administrative Agent nor any Lender undertakes any responsibility to any Borrower

to review or inform such Borrower of any matter in connection with any phase of such Borrower's business or operations.

10.12 GOVERNING LAW

. ANY DISPUTE BETWEEN ANY BORROWER AND THE ADMINISTRATIVE AGENT OR ANY LENDER ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THE BORROWERS AND THE LENDERS IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

10.13 CONSENT TO JURISDICTION; SERVICE OF PROCESS; JURY TRIAL.

(A) EXCLUSIVE JURISDICTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY ANY MEMBER OF THE OBLIGOR GROUP AGAINST THE ADMINISTRATIVE AGENT OR ANY LENDER OR ANY AFFILIATE OF THE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT (OTHER THAN COUNTERCLAIMS INITIATED IN THE SAME JURISDICTION AS THE CLAIM) SHALL BE BROUGHT TO THE EXTENT POSSIBLE ONLY IN A COURT IN NEW YORK CITY, NEW YORK.

(B) SERVICE OF PROCESS. EACH OF THE PARTIES HERETO WAIVES PERSONAL SERVICE OF ANY PROCESS UPON IT AND IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY WRITS, PROCESS OR SUMMONSES IN ANY SUIT, ACTION OR PROCEEDING BY THE MAILING THEREOF BY THE ADMINISTRATIVE AGENT OR THE LENDERS BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY ADDRESSED AS PROVIDED HEREIN. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF ANY OF THE PARTIES HERETO TO SERVE ANY SUCH WRITS, PROCESS OR SUMMONSES IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(C) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR

OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith. EACH OF THE PARTIES HERETO AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(D) ADVICE OF COUNSEL. EACH OF THE PARTIES REPRESENTS TO EACH OTHER PARTY HERETO THAT IT HAS DISCUSSED THIS AGREEMENT AND, SPECIFICALLY, THE PROVISIONS OF SECTION 10.7 AND THIS SECTION 10.13, WITH ITS COUNSEL.

(E) SERVICE OF PROCESS TO FOREIGN SUBSIDIARY BORROWERS. EACH FOREIGN SUBSIDIARY BORROWER IRREVOCABLY DESIGNATES AND APPOINTS THE COMPANY, AS ITS AUTHORIZED AGENT, TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF, SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUIT, ACTION OR PROCEEDING OF THE NATURE REFERRED TO IN SECTION 10.13(A) IN ANY FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, NEW YORK. THE COMPANY HEREBY REPRESENTS, WARRANTS AND CONFIRMS THAT THE COMPANY HAS AGREED TO ACCEPT SUCH APPOINTMENT (AND ANY SIMILAR APPOINTMENT BY A SUBSIDIARY GUARANTOR WHICH IS A FOREIGN SUBSIDIARY). SAID DESIGNATION AND APPOINTMENT SHALL BE IRREVOCABLE BY EACH SUCH FOREIGN SUBSIDIARY BORROWER UNTIL ALL LOANS, ALL REIMBURSEMENT OBLIGATIONS, INTEREST THEREON AND ALL OTHER AMOUNTS PAYABLE BY SUCH FOREIGN SUBSIDIARY BORROWER HEREUNDER AND UNDER THE OTHER LOAN DOCUMENTS SHALL HAVE BEEN PAID IN FULL IN ACCORDANCE WITH THE PROVISIONS HEREOF AND THEREOF AND SUCH FOREIGN SUBSIDIARY BORROWER SHALL HAVE BEEN TERMINATED AS A BORROWER HEREUNDER PURSUANT TO SECTION 2.23. EACH FOREIGN SUBSIDIARY BORROWER HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING OF THE NATURE REFERRED TO IN SECTION 10.13(A) IN ANY FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, NEW YORK BY SERVICE OF PROCESS UPON THE COMPANY AS PROVIDED IN THIS SECTION 10.13(E); PROVIDED THAT, TO THE EXTENT LAWFUL AND POSSIBLE, NOTICE OF SAID SERVICE UPON SUCH AGENT SHALL BE MAILED BY REGISTERED OR CERTIFIED AIR MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO THE COMPANY AND (IF APPLICABLE TO) SUCH FOREIGN SUBSIDIARY BORROWER AT ITS ADDRESS SET FORTH IN THE BORROWING SUBSIDIARY AGREEMENT TO WHICH IT IS A PARTY OR TO ANY OTHER ADDRESS OF WHICH SUCH FOREIGN SUBSIDIARY BORROWER SHALL HAVE GIVEN WRITTEN NOTICE TO THE ADMINISTRATIVE AGENT (WITH A COPY

THEREOF TO THE COMPANY). EACH FOREIGN SUBSIDIARY BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL CLAIM OF ERROR BY REASON OF ANY SUCH SERVICE IN SUCH MANNER AND AGREES THAT SUCH SERVICE SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON SUCH FOREIGN SUBSIDIARY BORROWER IN ANY SUCH SUIT, ACTION OR PROCEEDING AND SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, BE TAKEN AND HELD TO BE VALID AND PERSONAL SERVICE UPON AND PERSONAL DELIVERY TO SUCH FOREIGN SUBSIDIARY BORROWER. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

10.14 Subordination of Intercompany Indebtedness

. Each Borrower agrees that any and all claims of such Borrower against any of its Affiliates that is a guarantor with respect to any indebtedness of any guarantor to such Borrower (“**Intercompany Indebtedness**”), any endorser, obligor or any other guarantor of all or any part of the Obligations, or against any of its properties, including, without limitation, claims arising from liens or security interests upon property, shall be subordinate and subject in right of payment to the prior payment, in full and in cash, of all Obligations; provided that, and not in contravention of the foregoing, so long as no Default has occurred and is continuing each Borrower may make loans to and receive payments in the ordinary course with respect to such Intercompany Indebtedness from each such guarantor to the extent permitted by the terms of this Agreement and the other Loan Documents. Should any payment, distribution, security or instrument or proceeds thereof be received by a Borrower upon or with respect to the Intercompany Indebtedness in contravention of this Agreement or the Loan Documents or after the occurrence of a Default, including, without limitation, an event described in Section 8.1(F) or (G), prior to the satisfaction of all of the Obligations (other than contingent indemnity obligations) and the termination of all financing arrangements pursuant to any Loan Document or Hedging Agreement among the Borrowers and the Lenders (and their Affiliates), each Borrower shall receive and hold the same in trust, as trustee, for the benefit of the holders of the Obligations and shall forthwith deliver the same to the Administrative Agent, for the benefit of such Persons, in precisely the form received (except for the endorsement or assignment of the applicable Borrower where necessary), for application to any of the Obligations, due or not due, and, until so delivered, the same shall be held in trust by the applicable Borrower as the property of the holders of the Obligations. If the applicable Borrower fails to make any such endorsement or assignment to the Administrative Agent, the Administrative Agent or any of its officers or employees are irrevocably authorized to make the same. Each Borrower agrees that until the Obligations (other than the contingent indemnity obligations) have been paid in full (in cash) and satisfied and all financing arrangements pursuant to any Loan Document or Hedging Agreement among the Borrowers and the Lenders (and their Affiliates) have been terminated, such Borrower will not assign or transfer to any Person (other than the Administrative Agent) any claim such Borrower has or may have against any guarantor.

10.15 USA PATRIOT Act

. Each Lender hereby notifies the Borrowers that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies each Borrower, which information includes the name and address of the Borrowers and

other information that will allow such Lender to identify the Borrowers in accordance with the Patriot Act. Each Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

10.16 No Duties Imposed on Co-Syndication Agents, Co-Documentation Agents or Arrangers

. None of the Persons identified on the cover page to this Agreement, the signature pages to this Agreement or otherwise in this Agreement as a “Co-Syndication Agent,” “Co-Documentation Agent” or “Arranger” shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than, if such Person is a Lender, those applicable to all Lenders as such. Without limiting the foregoing, none of the Persons identified on the cover page to this Agreement, the signature pages to this Agreement or otherwise in this Agreement as a “Co-Syndication Agent,” “Co-Documentation Agent” or “Arranger” shall have or be deemed to have any fiduciary duty to or fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

10.17 Accounting

. Except as provided to the contrary herein, all accounting terms and other applicable definitions, covenants and provisions herein shall be interpreted and all accounting determinations and other applicable calculations hereunder shall be made in accordance with Agreement Accounting Principles. If any changes in generally accepted accounting principles are hereafter required or permitted and are adopted by the Company or any of its Subsidiaries with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the financial covenants, tests, restrictions or standards herein or in the related definitions or terms used therein (“**Accounting Changes**”), the parties hereto agree, at the Company’s request, to enter into negotiations, in good faith, in order to amend such provisions in a credit neutral manner so as to reflect equitably such changes with the desired result that the criteria for evaluating the Company’s and its Subsidiaries’ financial condition shall be the same after such changes as if such changes had not been made; provided, however, until such provisions are amended in a manner reasonably satisfactory to the Administrative Agent and the Required Lenders, no Accounting Change shall be given effect in such calculations and all financial reports (excluding in any event financial statements) required to be delivered hereunder shall be prepared in accordance with Agreement Accounting Principles without taking into account such Accounting Changes. In the event such amendment is entered into, all references in this Agreement to Agreement Accounting Principles shall mean generally accepted accounting principles as of the date of such amendment. Notwithstanding the foregoing or any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (i) any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Company or any of its Subsidiaries at “fair value”, as defined therein and (ii) any treatment of Indebtedness in respect of convertible debt instruments under Financial Accounting Standards Board Staff Position APB 14-1 to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness

shall at all times be valued at the full stated principal amount thereof. Notwithstanding anything herein to the contrary, all obligations of any Person that are or would be characterized as operating lease obligations in accordance with Agreement Accounting Principles as in effect on December 14, 2018 (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not Capitalized Lease Obligations) for purposes of the Loan Documents regardless of any change in Agreement Accounting Principles following December 14, 2018 (or any change in the implementation in Agreement Accounting Principles for future periods that are contemplated as of December 14, 2018) that would otherwise require such obligations to be recharacterized (on a prospective or retroactive basis or otherwise) as Capitalized Lease Obligations, and all calculations and deliverables under this Agreement or any other Loan Document shall be made or delivered, as applicable, in accordance with the foregoing.

10.18 Acknowledgment Regarding Any Supported QFCs

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

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

(B) As used in this Section 10.18, the following terms have the following meanings:

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

(ii) “**Covered Entity**” means any of the following:

- (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b);
- (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or
- (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

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

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

10.19 Acknowledgement and Consent to Bail-In of Affected Financial Institutions

. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

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

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

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

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

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

(A) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other member of the Obligor Group, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Revolving Loan Commitments;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Revolving Loan Commitments and this Agreement;

(iii) (a) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (b) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Revolving Loan Commitments and this Agreement, (c) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Revolving Loan Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (d) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Revolving Loan Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(B) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (A) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (A), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to,

and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other member of the Obligor Group, that none of the Administrative Agent, any Arranger nor any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Revolving Loan Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

ARTICLE XI: THE ADMINISTRATIVE AGENT

11.1 Appointment; Nature of Relationship

. Wells Fargo is appointed by the Lenders as the Administrative Agent hereunder and under each other Loan Document, and each of the Lenders irrevocably authorizes the Administrative Agent to act as the contractual representative of such Lender with the rights and duties expressly set forth herein and in the other Loan Documents. The Administrative Agent agrees to act as such contractual representative upon the express conditions contained in this Article XI. Notwithstanding the use of the defined term "Administrative Agent," it is expressly understood and agreed that the Administrative Agent shall not have any fiduciary responsibilities to any Lender by reason of this Agreement and that the Administrative Agent is merely acting as the representative of the Lenders with only those duties as are expressly set forth in this Agreement and the other Loan Documents. In its capacity as the Lenders' contractual representative, the Administrative Agent (i) does not assume any fiduciary duties to any of the Lenders, (ii) is a "representative" of the Lenders within the meaning of Section 9-102 of the New York Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Agreement and the other Loan Documents. Each of the Lenders, for itself and on behalf of its affiliates, agrees to assert no claim against the Administrative Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Lender waives.

11.2 Powers

. The Administrative Agent shall have and may exercise such powers under the Loan Documents as are specifically delegated to the Administrative Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Administrative Agent shall have no implied duties or fiduciary duties to the Lenders, or any obligation to the Lenders to take any action hereunder or under any of the other Loan Documents except any action specifically provided by the Loan Documents required to be taken by the Administrative Agent.

11.3 General Immunity

. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable to the Borrowers, the Lenders or any Lender for any action taken or omitted to be taken by it or them hereunder or under any other Loan Document or in connection herewith or therewith except to the extent such action or inaction is found in a final judgment by a court of competent jurisdiction to have arisen solely from the gross negligence or willful misconduct of such Person.

11.4 No Responsibility for Loans, Creditworthiness, Recitals, Etc

. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be responsible

for or have any duty to ascertain, inquire into, or verify (i) any statement, warranty or representation made in connection with any Loan Document or any borrowing hereunder; (ii) the performance or observance of any of the covenants or agreements of any obligor under any Loan Document; (iii) the satisfaction of any condition specified in Article V, except receipt of items required to be delivered solely to the Administrative Agent; (iv) the existence or possible existence of any Default or (v) the validity, effectiveness or genuineness of any Loan Document or any other instrument or writing furnished in connection therewith. The Administrative Agent shall not be responsible to any Lender for any recitals, statements, representations or warranties herein or in any of the other Loan Documents for the execution, effectiveness, genuineness, validity, legality, enforceability, collectibility, or sufficiency of this Agreement or any of the other Loan Documents or the transactions contemplated thereby, or for the financial condition of any guarantor of any or all of the Obligations, any Borrower or any of its Subsidiaries.

11.5 Action on Instructions of Lenders

. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under any other Loan Document in accordance with written instructions signed by the Required Lenders (or all of the Lenders in the event that and to the extent that this Agreement expressly requires such), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders and on all owners of Loans. Upon receipt of any such instructions from the Required Lenders (or all of the Lenders in the event that and to the extent that this Agreement expressly requires such), the Administrative Agent shall be permitted to act on behalf of the full principal amount of the Obligations. The Administrative Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

11.6 Employment of Administrative Agent and Counsel

. The Administrative Agent may execute any of its duties as the Administrative Agent hereunder and under any other Loan Document by or through employees, agents, and attorney-in-fact and shall not be answerable to the Lenders, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall be entitled to advice of counsel concerning the contractual arrangement between the Administrative Agent and the Lenders and all matters pertaining to the Administrative Agent's duties hereunder and under any other Loan Document.

11.7 Reliance on Documents; Counsel

. The Administrative Agent shall be entitled to rely upon any notice, consent, certificate, affidavit, letter, telegram, statement, paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and, in respect to legal matters, upon the opinion of counsel selected by the Administrative Agent, which counsel may be employees of the Administrative Agent.

11.8 The Administrative Agent's Reimbursement and Indemnification

. The Lenders agree to reimburse and indemnify the Administrative Agent ratably in proportion to its respective Pro Rata Shares (i) for any amounts not reimbursed by the Borrowers for which the Administrative Agent is entitled to reimbursement by the Borrowers under the Loan Documents, (ii) for any other expenses incurred by the Administrative Agent on behalf of the Lenders, in connection with the preparation, execution, delivery, administration and enforcement of the Loan Documents and (iii)

for any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or any other document delivered in connection therewith or the transactions contemplated thereby, or the enforcement of any of the terms thereof or of any such other documents, provided that no Lender shall be liable for any of the foregoing to the extent any of the foregoing is paid or reimbursed by any Borrower or found in a final non-appealable judgment by a court of competent jurisdiction to have arisen solely from the gross negligence or willful misconduct of the Administrative Agent.

11.9 Rights as a Lender

. With respect to its Revolving Loan Commitment, Loans made by it, and Letters of Credit issued by it, the Administrative Agent shall have the same rights and powers hereunder and under any other Loan Document as any Lender or Issuing Bank and may exercise the same as though it were not the Administrative Agent, and the term “Lender” or “Lenders”, “Issuing Bank” or “Issuing Banks” shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. The Administrative Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Loan Document, with the Company or any of its Subsidiaries in which such Person is not prohibited hereby from engaging with any other Person.

11.10 Lender Credit Decision

. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any Arranger, either Co-Syndication Agent or any other Lender and based on the financial statements prepared by the Company and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Loan Documents. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger, either Co-Syndication Agent or any other Lender based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking the action under this Agreement and the other Loan Documents. Except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Subsidiaries that is communicated to or obtained by the Person serving as Administrative Agent for any of its Affiliates in any capacity.

11.11 Successor Administrative Agent

. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Company. Upon any such resignation, the Required Lenders shall have the right to appoint, on behalf of the Borrowers and the Lenders, a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty days after the retiring Administrative Agent’s giving notice of resignation, then the retiring Administrative Agent may appoint, on behalf of the Borrowers and the Lenders, a successor Administrative Agent. Notwithstanding anything herein to the contrary, so long as no Default has occurred and is continuing, each such successor Administrative Agent shall be subject to approval by the Company, which approval shall not be unreasonably withheld. Such successor Administrative Agent shall be a Lender and shall be a commercial bank having capital and retained

earnings of at least \$500,000,000. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Article XI shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent hereunder and under the other Loan Documents. The Administrative Agent may not be removed without its prior written consent.

11.12 No Duties Imposed Upon Arrangers or Agents

. No Person identified on the cover page to this Agreement, the signature pages to this Agreement or otherwise in this Agreement as an "Arranger", a "Co-Syndication Agent" or a "Co-Documentation Agent" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than if such Person is a Lender, those applicable to all Lenders as such. Without limiting the foregoing, no Person identified on the cover page to this Agreement, the signature pages to this Agreement or otherwise in this Agreement as an "Arranger", a "Co-Syndication Agent" or a "Co-Documentation Agent" shall have or be deemed to have any fiduciary duty to or fiduciary relationship with any Lender. In addition to the agreement set forth in Section 11.10, each of the Lenders acknowledges that it has not relied, and will not rely, on any Person so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

11.13 Notice of Default

. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Unmatured Default hereunder unless the Administrative Agent has received written notice from a Lender or the Company referring to this Agreement describing such Default or Unmatured Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give prompt notice thereof to the Lenders.

11.14 Delegation to Affiliates

. The Borrowers and the Lenders agree that the Administrative Agent may delegate any of its duties under this Agreement to any of its Affiliates. Any such Affiliate (and such Affiliate's directors, officers, agents, and employees) which performs duties in connection with this Agreement shall be entitled to the same benefits of the indemnification, waiver and other protective provisions to which the Administrative Agent is entitled under terms of this Agreement.

11.15 Intercreditor Agreement and Subsidiary Guaranties

. Each Lender authorizes the Administrative Agent to enter into and remain subject to each of the Intercreditor Agreement, the Domestic Subsidiary Guaranty and the Foreign Subsidiary Guaranty on behalf and for the benefit of such Lender and to take all actions contemplated by such documents, including, without limitation, all enforcement actions. Each Lender agrees to be bound by the terms and conditions of the Intercreditor Agreement

11.16 Erroneous Payments.

(a) Each Lender, each Issuing Bank and any other party hereto hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest

error) such Lender or Issuing Bank or any other Person that has received funds from the Administrative Agent or any of its Affiliates, either for its own account or on behalf of a Lender or Issuing Bank (each such recipient, a “**Payment Recipient**”) that the Administrative Agent has determined in its reasonable discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 11.16(a), whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an “Erroneous Payment”), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section shall require the Administrative Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a) (ii) above, it shall promptly notify the Administrative Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and upon demand from the Administrative Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the Overnight Rate.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (c), from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an “**Erroneous Payment Return Deficiency**”), then at the reasonable discretion of the Administrative Agent and upon the Administrative Agent’s written notice to such Lender (i) such

Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Revolving Loan Commitments) to the Administrative Agent or, at the option of the Administrative Agent, the Administrative Agent's applicable lending affiliate in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Revolving Loan Commitments), the "Erroneous Payment Deficiency Assignment") plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by the Administrative Agent or its applicable lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment. The parties hereto acknowledge and agree that (1) any assignment contemplated in this clause (d) shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 13.3 and (3) the Administrative Agent may reflect such assignments in the Register without further consent or action by any other Person.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent (1) shall be subrogated to all the rights of such Payment Recipient with respect to such amount and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under this Section 11.16 or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by any Borrower or any other Obligor Group, 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 any Borrower or any other Obligor Group for the purpose of making a payment on the Obligations and (z) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

(f) Each party's obligations under this Section 11.16 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Revolving Loan Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(g) Nothing in this Section 11.16 will constitute a waiver or release of any claim of the Administrative Agent hereunder arising from any Payment Recipient's receipt of an Erroneous Payment.

ARTICLE XII: SETOFF; RATABLE PAYMENTS

12.1 Setoff

. In addition to, and without limitation of, any rights of the Lenders under applicable law, if any Default occurs and is continuing, any Indebtedness from any Lender to any

Borrower (including all account balances, whether provisional or final and whether or not collected or available) may be offset and applied toward the payment of the Obligations owing to such Lender, whether or not the Obligations, or any part hereof, shall then be due.

12.2 Ratable Payments; Failure to Fund

. (A) If any Lender, whether by setoff or otherwise, has payment made to it upon its Loans (other than payments received pursuant to Sections 2.14(E), 4.1, 4.2, or 4.4) in a greater proportion than that received by any other Lender, such Lender agrees, promptly upon demand, to purchase a portion of the Loans held by the other Lenders so that after such purchase each Lender will hold its ratable proportion of Loans. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to the obligations owing to them. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

(A) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.2(D), 2.17, 3.6, 3.7 or 11.8, then the Administrative Agent may, in its discretion and notwithstanding any contrary provision hereof, (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender for the benefit of the Administrative Agent, the Swing Line Bank or an Issuing Bank to satisfy such Lender's obligations to it under such Section until all such unsatisfied obligations are fully paid, and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any such Section, in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

12.3 Application of Payments

. If any Borrower, prior to the occurrence of a Default, has remitted a payment to the Administrative Agent or any Lender without indicating the Obligation to be reduced thereby, or at any time after the occurrence of a Default, subject to the provisions of Section 9.2, the Administrative Agent shall, unless otherwise specified at the direction of the Required Lenders which direction shall be consistent with the last sentence of this Section 12.3, apply all payments and prepayments in respect of any Obligations in the following order:

(A) first, to pay interest on and then principal of any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender for which the Administrative Agent has not then been reimbursed by such Lender or any Borrower;

(B) second, to pay Obligations in respect of any fees, expenses, reimbursements or indemnities then due to the Administrative Agent;

(C) third, to pay Obligations in respect of any fees, expenses, reimbursements or indemnities then due to the Lenders and the issuer(s) of Letters of Credit;

(D) fourth, to pay interest due in respect of Swing Line Loans;

- (E) fifth, to pay interest due in respect of Loans (other than Swing Line Loans and L/C Obligations);
- (F) sixth, to the ratable payment or prepayment of principal outstanding on Swing Line Loans;
- (G) seventh, to the ratable payment or prepayment of principal outstanding on Loans (other than Swing Line Loans), Reimbursement Obligations and Hedging Obligations;
- (H) eighth, to provide required cash collateral, if required pursuant to Section 3.11; and
- (I) ninth, to the ratable payment of all other Obligations.

Unless otherwise designated (which designation shall only be applicable prior to the occurrence of a Default) by the applicable Borrower, all principal payments in respect of Loans (other than Swing Line Loans) shall be applied first, to repay outstanding Floating Rate Loans and Daily Simple RFR Loans, and then to repay outstanding Eurocurrency Rate Loans and Term RFR Loans with those Eurocurrency Rate Loans and Term RFR Loans which have earlier expiring Interest Periods being repaid prior to those which have later expiring Interest Periods. The order of priority set forth in this Section 12.3 and the related provisions of this Agreement are set forth solely to determine the rights and priorities of the Administrative Agent, the Lenders, the Swing Line Bank and the issuer(s) of Letters of Credit as among themselves. Upon written notice to the Borrowers, the order of priority set forth in clauses (C) through (I) of this Section 12.3 may at any time and from time to time be changed by the Required Lenders without consent of or approval by the Company, or any other Person; provided, that the order of priority of payments in respect of Swing Line Loans may be changed only with the prior written consent of the Swing Line Bank. The order of priority set forth in clauses (A) and (B) of this Section 12.3 may be changed only with the prior written consent of the Administrative Agent.

12.4 Relations Among Lenders.

(A) Except with respect to the exercise of set-off rights of any Lender in accordance with Section 12.1, the proceeds of which are applied in accordance with this Agreement, and except as set forth in the following sentence, each Lender agrees that it will not take any action, nor institute any actions or proceedings, against the Company or any other obligor hereunder or with respect to any Loan Document, without the prior written consent of the Required Lenders or, as may be provided in this Agreement or the other Loan Documents, at the direction of the Administrative Agent.

(B) The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender. The Administrative Agent shall have the exclusive right on behalf of the Lenders to enforce the payment of the principal of and interest on any Loan after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

ARTICLE XIII: BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS**13.1 Successors and Assigns; Designated Lenders.**

(A) Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and the Lenders and their respective successors and assigns permitted hereby, except that (i) none of the Borrowers shall have the right to assign its rights or obligations under the Loan Documents without the prior written consent of each Lender, (ii) any assignment by any Lender must be made in compliance with Section 13.3, and (iii) any transfer by Participants must be made in compliance with Section 13.2. Any attempted assignment or transfer by any party not made in compliance with this Section 13.1 or Section 13.3 shall be null and void, unless such attempted assignment or transfer is treated as a participation in accordance with Section 13.2. The parties to this Agreement acknowledge that clause (ii) of this Section 13.1 relates only to absolute assignments and this Section 13.1 does not prohibit assignments creating security interests, including, without limitation, (x) any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any promissory note issued hereunder to a Federal Reserve Bank, (y) in the case of a Lender which is a Fund, any pledge or assignment of all or any portion of its rights under this Agreement and any promissory note issued hereunder to its trustee in support of its obligations to its trustee or (z) any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any promissory note issued hereunder to direct or indirect contractual counterparties in interest rate swap agreements relating to the Loans, but in all cases excluding credit default swaps; *provided, however*, that no such pledge or assignment creating a security interest shall release the transferor Lender from its obligations hereunder unless and until the parties thereto have complied with the provisions of Section 13.3. The Administrative Agent may treat the Person which made any Revolving Loan or which holds any promissory note issued hereunder as the owner thereof for all purposes hereof unless and until such Person complies with Section 13.3; *provided, however*, that the Administrative Agent may in its discretion (but shall not be required to) follow instructions from the Person which made any Revolving Loan or which holds any promissory note issued hereunder to direct payments relating to such Revolving Loan or promissory note issued hereunder to another Person. Any assignee of the rights to any Revolving Loan or any promissory note issued hereunder agrees by acceptance of such assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Person, who at the time of making such request or giving such authority or consent is the owner of the rights to any Loan (whether or not a promissory note has been issued hereunder in evidence thereof), shall be conclusive and binding on any subsequent holder or assignee of the rights to such Loan.

(B) Designated Lenders.

(i) Subject to the terms and conditions set forth in this Section 13.1(B), any Lender may from time to time elect to designate an Eligible Designee to provide all or any part of the Loans to be made by such Lender pursuant to this Agreement; provided that the designation of an Eligible Designee by any Lender for purposes of this Section 13.1(B) shall be subject to the approval of the Administrative Agent (which consent shall not be unreasonably withheld or delayed). Upon the execution by the parties to each such designation of an agreement in the form of Exhibit L hereto (a “**Designation Agreement**”) and the

acceptance thereof by the Administrative Agent, the Eligible Designee shall become a Designated Lender for purposes of this Agreement. The Designating Lender shall thereafter have the right to permit the Designated Lender to provide all or a portion of the Loans to be made by the Designating Lender pursuant to the terms of this Agreement and the making of the Loans or portion thereof shall satisfy the obligations of the Designating Lender to the same extent, and as if, such Loan was made by the Designating Lender. As to any Loan made by it, each Designated Lender shall have all the rights a Lender making such Loan would have under this Agreement and otherwise; provided, (x) that all voting rights under this Agreement shall be exercised solely by the Designating Lender, (y) each Designating Lender shall remain solely responsible to the other parties hereto for its obligations under this Agreement, including the obligations of a Lender in respect of Loans made by its Designated Lender and (z) no Designated Lender shall be entitled to reimbursement under Article IV hereof for any amount which would exceed the amount that would have been payable by the applicable Borrower to the Lender from which the Designated Lender obtained any interests hereunder. No additional promissory notes shall be required to be issued hereunder with respect to Loans provided by a Designated Lender; provided, however, to the extent any Designated Lender shall advance funds, the Designating Lender shall be deemed to hold the promissory notes issued hereunder in its possession as an administrative agent for such Designated Lender to the extent of the Loan funded by such Designated Lender. Such Designating Lender shall act as an administrative agent for its Designated Lender and give and receive notices and communications hereunder. Any payments for the account of any Designated Lender shall be paid to its Designating Lender as administrative agent for such Designated Lender and neither the Borrowers nor the Administrative Agent shall be responsible for any Designating Lender's application of such payments. In addition, any Designated Lender may (1) with notice to, but without the consent of the Borrowers or the Administrative Agent, assign all or portions of its interests in any Loans to its Designating Lender or to any financial institution consented to by the Administrative Agent providing liquidity and/or credit facilities to or for the account of such Designated Lender and (2) subject to advising any such Person that such information is to be treated as confidential in accordance with Section 13.4, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any guarantee, surety or credit or liquidity enhancement to such Designated Lender.

(ii) Each party to this Agreement hereby agrees that it shall not institute against, or join any other Person in instituting against, any Designated Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding or other proceedings under any federal or state bankruptcy or similar law for one year and a day after the payment in full of all outstanding senior indebtedness of any Designated Lender; provided that the Designating Lender for each Designated Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage and expense arising out of its inability to institute any

such proceeding against such Designated Lender. This Section 13.1(B) shall survive the termination of this Agreement.

13.2 Participations.

(A) Permitted Participants; Effect. Any Lender may at any time sell to one or more banks or other entities (“**Participants**”) participating interests in any Revolving Credit Obligations of such Lender, any promissory note issued hereunder held by such Lender, any Revolving Loan Commitment of such Lender or any other interest of such Lender under the Loan Documents. In the event of any such sale by a Lender of participating interests to a Participant, such Lender’s obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its Revolving Credit Obligations and the holder of any promissory note issued to it hereunder in evidence thereof for all purposes under the Loan Documents, all amounts payable by the Borrowers under this Agreement shall be determined as if such Lender had not sold such participating interests, and the Borrowers and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under the Loan Documents.

(B) Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to any Loan or Revolving Loan Commitment in which such Participant has an interest which would require consent of all of the Lenders pursuant to the terms of Section 9.3.

(C) Benefit of Certain Provisions. Each Borrower agrees that each Participant shall be deemed to have the right of setoff provided in Section 12.1 in respect of its participating interest in amounts owing under the Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under the Loan Documents, provided that each Lender shall retain the right of setoff provided in Section 12.1 with respect to the amount of participating interests sold to each Participant. The Lenders agree to share with each Participant, and each Participant, by exercising the right of setoff provided in Section 12.1, agrees to share with each Lender, any amount received pursuant to the exercise of its right of setoff, such amounts to be shared in accordance with Section 12.2 as if each Participant were a Lender. Each Borrower further agrees that each Participant shall be entitled to the benefits of Article IV and Section 2.14(E) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.3, provided that (i) a Participant shall not be entitled to receive any greater payment under Article IV or Section 2.14(E) than the Lender who sold the participating interest to such Participant would have received had it retained such interest for its own account, unless the sale of such interest to such Participant is made with the prior written consent of the applicable Borrower, and (ii) any Participant not incorporated under the laws of the United States of America or any State thereof agrees to comply with the provisions of Article IV and Section 2.14(E) to the same extent as if it were a Lender.

13.3 Assignments.

(A) Permitted Assignments. Any Lender may at any time assign to one or more banks or other entities (but not natural persons or the Company or any Affiliate of the Company) (“**Purchasers**”) all or any part of its rights and obligations under the Loan Documents. Such assignment shall be evidenced by an agreement substantially in the form of Exhibit D or in such other form as may be agreed to by the parties thereto (each such agreement, an “**Assignment Agreement**”). Each such assignment with respect to a Purchaser which is not a Lender or an Affiliate of a Lender or an Approved Fund shall, unless otherwise consented to in writing by the applicable Borrower and the Administrative Agent, either be in an amount equal to the entire applicable Revolving Credit Obligations of the assigning Lender or (unless each of the applicable Borrower and the Administrative Agent otherwise consents) be in an aggregate amount not less than \$5,000,000. The amount of the assignment shall be based on the Revolving Credit Obligations subject to the assignment, determined as of the date of such assignment or as of the “Trade Date,” if the “Trade Date” is specified in the Assignment Agreement.

(B) Consents. The consent of the applicable Borrower shall be required prior to an assignment becoming effective unless the Purchaser is a Lender, an Affiliate of a Lender or an Approved Fund; provided that the consent of the applicable Borrower shall not be required if a Default has occurred and is continuing; provided further, that the Borrowers shall be deemed to have consented to any such assignment unless they shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof. The consent of each Issuing Bank shall be required prior to an assignment becoming effective unless the Purchaser is a Lender, an Affiliate of a Lender or an Approved Fund. The consent of the Administrative Agent shall be required prior to an assignment becoming effective. Any consent required under this Section 13.3(B) shall not be unreasonably withheld or delayed.

(C) Effect; Effective Date. Upon (i) delivery to the Administrative Agent of an Assignment Agreement, together with any consents required by Sections 13.3(A) and 13.3(B), and (ii) payment of a \$3,500 fee to the Administrative Agent for processing such assignment (unless such fee is waived by the Administrative Agent or unless such assignment is made to such assigning Lender’s Affiliate), such assignment shall become effective on the effective date specified in such assignment. The Assignment Agreement shall contain a representation and warranty by the Purchaser to the effect that none of the funds, money, assets or other consideration used to make the purchase and assumption of the Revolving Loan Commitment and Revolving Credit Obligations under the applicable Assignment Agreement constitutes “plan assets” as defined under ERISA and that the rights, benefits and interests of the Purchaser in and under the Loan Documents will not be “plan assets” under ERISA. On and after the effective date of such assignment, such Purchaser shall for all purposes be a Lender party to this Agreement and any other Loan Document executed by or on behalf of the Lenders and shall have all the rights, benefits and obligations of a Lender under the Loan Documents, to the same extent as if it were an original party thereto, and the transferor Lender shall be released with respect to the Revolving Credit Obligations assigned to such Purchaser without any further consent or action by the Borrowers, the Lenders or the Administrative Agent. In the case of an assignment covering all of the assigning Lender’s rights, benefits and obligations under this Agreement, such Lender shall cease to be a Lender hereunder but shall continue to be entitled to the benefits of, and subject to, those provisions of this Agreement and the other Loan Documents which survive payment of the Obligations and termination of the Loan Documents. Any assignment or transfer by a Lender of rights or

obligations under this Agreement that does not comply with this Section 13.3 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 13.2. Upon the consummation of any assignment to a Purchaser pursuant to this Section 13.3(C), the transferor Lender, the Administrative Agent and the applicable Borrower shall, at no additional cost to the applicable Borrower, and, if the transferor Lender or the Purchaser desires that its Loans be evidenced by promissory notes, make appropriate arrangements so that, upon cancellation and surrender to the applicable Borrower of the previously issued promissory notes (if any) held by the transferor Lender, new promissory notes issued hereunder or, as appropriate, replacement promissory notes are issued to such transferor Lender, if applicable, and new promissory notes or, as appropriate, replacement promissory notes, are issued to such Purchaser, in each case in principal amounts reflecting their respective Revolving Loan Commitments (or, if the Revolving Loan Termination Date has occurred, their respective Revolving Credit Obligations), as adjusted pursuant to such assignment.

(D) The Register. The Administrative Agent, acting solely for this purpose as an agent of each Borrower (and each Borrower hereby designates the Administrative Agent to act in such capacity), shall maintain at one of its offices a copy of each Assignment Agreement delivered to it and a register (the “**Register**”) for the recordation of the names and addresses of the Lenders, and the Revolving Loan Commitments of, and principal amounts of and interest on the Loans owing to, each Lender pursuant to the terms hereof from time to time and whether such Lender is an original Lender or assignee of another Lender pursuant to an assignment under this Section 13.3. The entries in the Register shall be conclusive, and Borrowers, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

13.4 Dissemination of Information

. Each Borrower authorizes each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a “**Transferee**”) and any prospective Transferee any and all information in such Lender’s possession concerning the creditworthiness of such Borrower and its Subsidiaries; provided, that each Transferee and prospective Transferee agrees to be bound by Section 10.9 of this Agreement.

13.5 Tax Certifications

. If any interest in any Loan Document is transferred to any Transferee which is not incorporated under the laws of the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 2.14(E).

ARTICLE XIV: NOTICES

14.1 Giving Notice

. Except as otherwise permitted by Section 2.13 with respect to Borrowing/Election Notices, all notices and other communications provided to any party hereto under this Agreement or any other Loan Documents shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows:

(i) if to any Borrower or any Subsidiary Guarantor, at the Company's address or telecopier number set forth on the signature page hereof;

(ii) if to the Administrative Agent, at its address or telecopier number set forth on the signature page hereof, provided, however, that all notices relating to Loans (but not any notices relating to Letters of Credit) shall also be delivered to:

Wells Fargo Bank, N.A.
1525 West W.T. Harris Blvd
Charlotte, NC 28262
Attn: Agency Services
Agencyservices.requests@wellsfargo.com

(iii) if to an Issuing Bank, at its address or telecopier number set forth on the signature page hereof;
and

(iv) if to a Lender, to it at its address (or telecopier number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient).

14.2 Change of Address

. Each of the Company and the Administrative Agent may change the address for service of notice upon it by a notice in writing to the other parties hereto, including, without limitation, each Lender. Each Lender may change the address for service of notice upon it by a notice in writing to the Company and the Administrative Agent.

ARTICLE XV: COUNTERPARTS; ELECTRONIC EXECUTION

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by each Borrower, the Administrative Agent and the Lenders and each party has notified the Administrative Agent by telephone, that it has taken such action. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

The words "execute," "execution," "signed," "signature," "delivery" and words of like import in or related to this Agreement, any other Loan Document or any document, amendment, approval, consent, waiver, modification, information, notice, certificate, report, statement, disclosure, or authorization to be signed or delivered in connection with this Agreement or any other Loan Document or the transactions contemplated hereby shall be deemed to include

Electronic Signatures or execution in the form of an Electronic Record, and contract formations on electronic platforms approved by the Administrative Agent, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Each party hereto agrees that any Electronic Signature or execution in the form of an Electronic Record shall be valid and binding on itself and each of the other parties hereto to the same extent as a manual, original signature. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the parties of a manually signed paper which has been converted into electronic form (such as scanned into PDF format), or an electronically signed paper converted into another format, for transmission, delivery and/or retention. Notwithstanding anything contained herein to the contrary, the Administrative Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided that without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept such Electronic Signature from any party hereto, the Administrative Agent and the other parties hereto shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of the executing party without further verification and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by an original manually executed counterpart thereof. Without limiting the generality of the foregoing, each party hereto hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders and any of the Credit Parties, electronic images of this Agreement or any other Loan Document (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (B) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto.

ARTICLE XVI: CROSS GUARANTEE

16.1 Guarantee.

In order to induce the Lenders to extend credit to the other Borrowers hereunder, but subject to the last paragraph of this Section 16.1, each Borrower hereby irrevocably and unconditionally guarantees, as a primary obligor and not merely as a surety, the payment when and as due of the Obligations of such other Borrowers. Each Borrower further agrees that the due and punctual payment of such Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any such Obligation.

Each Borrower hereby waives presentment to, demand of payment from and protest to any Borrower of any of the Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of each Borrower hereunder shall not be affected by: (a) the failure of the Administrative Agent, the Issuing Bank or any Lender to assert any claim or demand or to enforce any right or remedy against any Borrower under the provisions of this

Agreement, any other Loan Document or otherwise; (b) any extension or renewal of any of the Obligations; (c) any rescission, waiver, amendment or modification of, or release from, any of the terms or provisions of this Agreement, or any other Loan Document or agreement; (d) any default, failure or delay, willful or otherwise, in the performance of any of the Obligations; (e) the failure of the Administrative Agent to take any steps to perfect and maintain any security interest in, or to preserve any rights to, any security or collateral for the Obligations, if any; (f) any change in the corporate, partnership or other existence, structure or ownership of any Borrower or any other guarantor of any of the Obligations; (g) the enforceability or validity of the Obligations or any part thereof or the genuineness, enforceability or validity of any agreement relating thereto or with respect to any collateral securing the Obligations or any part thereof, or any other invalidity or unenforceability relating to or against any Borrower or any other guarantor of any of the Obligations, for any reason related to this Agreement, any Hedging Agreement, any other Loan Document, or any provision of applicable law, decree, order or regulation of any jurisdiction purporting to prohibit the payment by such Borrower or any other guarantor of the Obligations, of any of the Obligations or otherwise affecting any term of any of the Obligations; or (h) any other act, omission or delay to do any other act which may or might in any manner or to any extent vary the risk of such Borrower or otherwise operate as a discharge of a guarantor as a matter of law or equity or which would impair or eliminate any right of such Borrower to subrogation.

Each Borrower further agrees that its agreement hereunder constitutes a guarantee of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not merely of collection, and waives any right to require that any resort be had by the Administrative Agent, the Issuing Bank or any Lender to any balance of any deposit account or credit on the books of the Administrative Agent, the Issuing Bank or any Lender in favor of any Borrower or any other Person.

The obligations of each Borrower hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever, by reason of the invalidity, illegality or unenforceability of any of the Obligations, any impossibility in the performance of any of the Obligations or otherwise.

Each Borrower further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation (including a payment effected through exercise of a right of setoff) is rescinded or must otherwise be restored by the Administrative Agent, the Issuing Bank or any Lender upon the bankruptcy or reorganization of any Borrower or otherwise (including pursuant to any settlement entered into by a holder of the Obligations in its discretion).

In furtherance of the foregoing and not in limitation of any other right which the Administrative Agent, the Issuing Bank or any Lender may have at law or in equity against the Company by virtue hereof, upon the failure of any other Borrower to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Borrower hereby promises to and will, upon receipt of written demand by the Administrative Agent, the Issuing Bank or any Lender, forthwith pay, or cause to be paid, to the Administrative Agent, the Issuing Bank or any Lender in cash an amount equal to the unpaid

principal amount of such Obligations then due, together with accrued and unpaid interest thereon. Each Borrower further agrees that if payment in respect of any Obligation shall be due in a currency other than Dollars and/or at a place of payment other than New York, Chicago or any other Eurocurrency/RFR Payment Office and if, by reason of any Change in Law, disruption of currency or foreign exchange markets, war or civil disturbance or other event, payment of such Obligation in such currency or at such place of payment shall be impossible or, in the reasonable judgment of the Administrative Agent, the Issuing Bank or any Lender, disadvantageous to the Administrative Agent, the Issuing Bank or any Lender in any material respect, then, at the election of the Administrative Agent, such Borrower shall make payment of such Obligation in Dollars (based upon the applicable Equivalent Amount in effect on the date of payment) and/or in New York, Chicago or such other Eurocurrency/RFR Payment Office as is designated by the Administrative Agent and, as a separate and independent obligation, shall indemnify the Administrative Agent, the Issuing Bank and any Lender against any losses or reasonable out-of-pocket expenses that it shall sustain as a result of such alternative payment.

Upon payment by any Borrower of any sums as provided above, all rights of such Borrower against any Borrower arising as a result thereof by way of right of subrogation or otherwise shall in all respects be subordinated and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations owed by such Borrower to the Administrative Agent, the Issuing Bank and the Lenders.

Nothing shall discharge or satisfy the liability of any Borrower hereunder except the full performance and payment of the Obligations.

Each Borrower hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Obligor Group to honor all of its obligations under this Section 16.1 or the Domestic Subsidiary Guaranty or Foreign Subsidiary Guaranty, as applicable, in respect of Hedging Obligations (provided, however, that each Borrower shall only be liable under this paragraph for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this paragraph or otherwise under this Section 16.1 voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Each Borrower intends that this paragraph constitute, and this paragraph shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Notwithstanding anything contained in this Section 16.1 to the contrary, no Foreign Subsidiary Borrower shall be liable hereunder for any of the Loans made to, or any other Obligation incurred solely by or on behalf of, the Company or any Domestic Subsidiary Borrower. The parties agree that no German Obligor shall be liable for any obligations, guarantees, indemnities, fees, costs or other Obligations other than in relation to Loans directly made to it and in particular, nothing in this Section 16.1 shall constitute a guarantee by a German Obligor, except that this Section 16.1 shall constitute a guarantee by Woodward Kempen with respect to Woodward Aken, and Woodward Kempen shall, subject to Section 16.2 (*Limitation on Enforcement*) below, be liable for any and all obligations, guarantees, indemnities, fees, costs or other Obligations in relation to Loans made to Woodward Aken.

16.2 Limitation on Enforcement

. The enforcement of the guarantee granted by any German Obligor pursuant to this Article XVI (the “**Guaranty**”) will be limited in accordance with the following:

(A) If this Guaranty is enforced

- (i) with respect to amounts which correspond to funds that have been borrowed under the Loan Documents and have been on-lent to, or otherwise been passed on (unless it has been passed on in a way where repayment or enforcement would not affect section 30, 31 German GmbH-Act (*GmbH-Gesetz*) (the “**GmbH-Act**”)) to, the relevant German Obligor or any of its subsidiaries to the extent that such amounts have not been repaid and are outstanding at the date the Guaranty is enforced; and/or
- (ii) at any time when a domination and profit and loss transfer agreement (in accordance with section 291 of the German Stock Corporation Act (*Aktiengesetz*)) (*Beherrschungs- und Gewinnabführungsvertrag*) is or becomes effective between the German Obligor and any direct or indirect shareholder of the German Obligor or a subsidiary of such shareholder as dominating entity (*beherrschendes Unternehmen*) and, to the extent required to prevent a conflict with section 30, 31 German GmbH-Act, a valuable counterclaim exists (*werthaltiger Anspruch*); (the amounts with respect to which enforcement is sought under the conditions described in clauses (i) and/or (ii) being hereinafter referred to collectively as the “**Unlimited Enforcement Amount**”),

the enforcement of the Guaranty of the relevant German Obligor shall be unlimited.

(B) To the extent that the enforcement of the Guaranty is made in respect of amounts other than of the Unlimited Enforcement Amount and the relevant German Obligor demonstrates that an unrestricted enforcement of the Guaranty has the effect of:

- (iii) reducing such Guarantor's net assets (*Nettovermögen*) (the “**Net Assets**”) to an amount less than its stated share capital (*Stammkapital*), or
- (iv) (if its Net Assets are already lower than its stated share capital) causing such amount to be further reduced,

and thereby affects its assets which are required for the obligatory preservation of its stated share capital according to §§ 30, 31 German GmbH-Act (“**Limitation on Enforcement**” or “**Limitation Event**”), the Administrative Agent shall only be entitled to enforce the Guaranty and to claim any payment under the Guaranty in excess of the Unlimited Enforcement Amount in respect of the Obligations up to an amount which corresponds to the amount by which the Net Assets of the relevant German Obligor (determined in

accordance with sub-paragraph (c) below) exceed the amount which is necessary to preserve the stated share capital of the relevant German Obligor.

(C) The value of the Net Assets shall be determined in accordance with the provisions of the German Commercial Act (*Handelsgesetzbuch*, “**HGB**”) consistently applied by the respective Guarantor in preparing its unconsolidated balance sheets (*Jahresabschluss* according to § 42 GmbH-Act, §§ 242, 264 HGB) in the previous years, save that:

- (v) the amount of any increase of the stated share capital (*Stammkapital*) of the relevant German Obligor (A) made from retained earnings (*aus Gesellschaftsmitteln*), or (B) made by way of contributions in kind (*gegen Sacheinlagen*), registered after the date of this Agreement without the prior written consent of the Administrative Agent shall be deducted from the relevant stated share capital;
- (vi) deducting (A) any amount of profits (*Gewinne*) not available for distribution to the shareholders (*Ausschüttungssperre*) and (B) provisions for expense (*Aufwandsrückstellungen*) according to 249 para. 1, sent. 2 no. 1 HGB;
- (vii) loans and other liabilities incurred in violation of the provisions of any Loan Document shall be disregarded (unless the relevant director demonstrates that such violation was neither negligent nor willful); and
- (viii) loans provided to the relevant German Obligor by any member of the group shall not be taken into account as liabilities as far as such loans are subordinated by law or by contract at least to the claims of the unsubordinated creditors of such relevant Guarantor, unless a waiver, the contribution of such liability into the capital reserves of the German Guarantor or any other way of extinguishing the relevant liability (including by way of deep subordination) would violate mandatory legal restrictions applicable to the relevant creditor of such liability.

(D) The Limitation on Enforcement shall only apply if and to the extent that (i) the managing director(s) (*Geschäftsführer*) on behalf of the relevant German Obligor have notified and confirmed in writing to the Administrative Agent within 10 Business Days following a demand under the Guaranty that and to what extent an unrestricted enforcement of the Guaranty would lead to the occurrence of a Limitation Event (the “**Management Determination**”).

(E) If the Administrative Agent disagrees with the Management Determination, the Administrative Agent shall nevertheless be entitled to enforce the Guaranty with respect to the Unlimited Enforcement Amount and all additional amounts which are undisputed between itself and the relevant German Obligor in accordance with the provisions of paragraph (d) above. In relation to the amount which is disputed, the Administrative Agent and the relevant German Obligor shall instruct a firm of auditors of international standing and reputation to determine within 40 calendar days (or such longer period as has been agreed between the relevant German Obligor and the Administrative Agent) from the date the Administrative Agent has contested the Management Determination the amount of the relevant German Obligor’s available Net Assets

(the “**Auditor's Determination**”). If the Administrative Agent and the relevant German Obligor do not agree on the appointment of a joint auditor within 5 Business Days from the date the Administrative Agent has disputed the Management Determination, the Administrative Agent shall be entitled to appoint auditors of international standing and reputation in its sole discretion. The amounts determined in the Auditor's Determination shall be (except for manifest error) binding for all parties hereto. The costs of the Auditor's Determination shall be borne by the relevant German Obligor.

(F) If pursuant to the Auditor's Determination the amount of the available Net Assets is higher than set out in the Management Determination, the Administrative Agent may avail itself of any enforcement proceeds which exceed the amount which is necessary, pursuant to the Auditor's Determination, to maintain the relevant German Obligor's stated share capital.

(G) The relevant German Obligor shall realize, to the extent legally permitted and commercially reasonable, in a situation where it does not have sufficient net assets to maintain its stated share capital, any and all of its assets that are shown in its balance sheet with a book value (*Buchwert*) that is significantly lower than the market value of the assets if the relevant asset is not necessary for such relevant Guarantor's business (*nicht betriebsnotwendig*).

(H) The limitation set out in paragraph (b) above does not affect the right of the Administrative Agent to claim any outstanding amount again at a later point in time if and to the extent that paragraph (b) would allow this at that later point.

(I) This Section 16.2 (*Limitation on Enforcement*) shall apply mutatis mutandis if the Guaranty is granted by a member of the Obligor Group incorporated as a limited liability partnership (GmbH & Co. KG) in relation to the limited liability company as general partner (*Komplementär*) of such member of the Obligor Group.

(J) Any restrictions set out in this Section 16.2 (*Limitation on Enforcement*) shall cease to be effective at the date of a court decision pursuant to section 26 or 27 of the InsO on the petition for the commencement of insolvency proceedings with respect to the relevant German Obligor's assets.

ARTICLE XVII: AMENDMENT AND RESTATEMENT

The Company, the Foreign Subsidiary Borrowers, the Lenders and the Administrative Agent agree that, upon (i) the execution and delivery of this Agreement by each of the parties hereto and (ii) satisfaction (or waiver by the aforementioned parties) of the conditions precedent set forth in Section 5.1, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation of the Existing Credit Agreement or the Indebtedness created thereunder. The commitments to extend credit of each Lender that is a party to the Existing Credit Agreement shall, on the Closing Date, automatically be deemed amended and the only commitments to extend credit shall be those hereunder. Without limiting the foregoing, upon the effectiveness hereof: (a) all loans and letters of credit incurred under the Existing Credit Agreement which are outstanding on the Closing Date shall continue as Loans and Letters of Credit under (and shall be governed by the terms of) this

Agreement and the other Loan Documents, (b) all references in the “Loan Documents” (as defined in the Existing Credit Agreement) to the “Administrative Agent”, the “Credit Agreement” and the “Loan Documents” shall be deemed to refer to the Administrative Agent, this Agreement and the Loan Documents, respectively, (c) all obligations constituting “Obligations” under the Existing Credit Agreement with any Lender or any Affiliate of any Lender which are outstanding on the Closing Date shall continue as Obligations under this Agreement and the other Loan Documents, (d) any promissory note issued under the Existing Credit Agreement shall be deemed for all purposes superseded and replaced by the promissory notes (if any) issued to such Lender under this Agreement, (e) any obligations under the “Fee Letters” (as defined in the Existing Credit Agreement) shall be of no further force and effect and such Fee Letters are hereby terminated, and (f) the Administrative Agent shall make such reallocations, sales, assignments or other relevant actions in respect of each Lender’s credit and loan exposure under the Existing Credit Agreement as are necessary in order that each such Lender’s Revolving Credit Obligations are equal to its Pro Rata Share of the aggregate Revolving Credit Obligations on the Closing Date and the Borrowers hereby agree to compensate each Lender for reasonable and documented costs and out-of-pocket expenses incurred by such Lender in connection with the sale and assignment of any Eurocurrency Rate Loans on the terms and in the manner set forth in Section 4.4 hereof. Each Lender hereby confirms the Administrative Agent’s authority to enter into such additional reaffirmations of, or any amendments to, amendments and restatements of, or other modifications to, the other existing Loan Documents as the Administrative Agent shall approve in its sole discretion, in connection with the amendment and restatement of the Existing Credit Agreement so long as such amendments, restatements or other modifications do not contain any material modifications adverse to the Lenders (and, for the avoidance of doubt, such modifications may include the addition or removal of Obligor Groups and other changes that are otherwise permitted by the Administrative Agent’s authority under or with respect to such existing Loan Documents or are consistent with changes in provisions included in this Agreement as compared to the provisions of the Existing Credit Agreement).

The remainder of this page is intentionally blank.

[SIGNATURE PAGE ON FILE WITH ADMINISTRATIVE AGENT]

CERTIFICATION

I, Thomas A. Gendron, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended December 31, 2021, of Woodward, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2022

 /s/ Thomas A. Gendron
 Thomas A. Gendron
Chairman of the Board,
Chief Executive Officer, and President
(Principal Executive Officer)

A signed original of this written statement required by Rule 13a-14(a)/15d-14(a), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Rule 13a-14(a)/15d-14(a), has been provided to Woodward and will be retained by Woodward and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION

I, Mark D. Hartman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended December 31, 2021, of Woodward, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2022

/s/ Mark D. Hartman
Mark D. Hartman
Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Rule 13a-14(a)/15d-14(a), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Rule 13a-14(a)/15d-14(a), has been provided to Woodward and will be retained by Woodward and furnished to the Securities and Exchange Commission or its staff upon request.

Woodward, Inc.
Section 1350 certifications

We hereby certify, pursuant to 18 U.S.C. Section 1350, that the accompanying Quarterly Report on Form 10-Q for the period ended December 31, 2021 (the "Quarterly Report"), of Woodward, Inc., fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Woodward, Inc.

Date: February 4, 2022

/s/ Thomas A. Gendron

Thomas A. Gendron
Chairman of the Board,
Chief Executive Officer, and President

Date: February 4, 2022

/s/ Mark D. Hartman

Mark D. Hartman
Chief Financial Officer

A signed original of this written statement required by Rule 13a-14(b)/15d-14(b) and 18 U.S.C. Section 1350, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement, has been provided to Woodward and will be retained by Woodward and furnished to the Securities and Exchange Commission or its staff upon request.