Table of Contents

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

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS
PURSUANT TO SECTIONS 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

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

For the fiscal year ended December 31, 2017

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 000-19406

Zebra Technologies Corporation
(Exact name of registrant as specified in its charter)

Delaware	36-2675536
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3 Overlook Point, Lincolnshire, IL 60069
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (847) 634-6700

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

Title of Each Class	Name of Exchange on which Registered
Class A Common Stock, par value $.01 per share	The NASDAQ Stock Market, LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Act. Yes ☐ No ☒

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 and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if smaller reporting company)	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 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 Securities Act). Yes ☐ No ☒

As of July 1, 2017, the aggregate market value of the registrant's Class A Common held by non-affiliates was approximately $5,260,632,176. The closing price of the Class A Common Stock on June 30, 2017, as reported on the Nasdaq Stock Market, was $100.52 per share.

As of February 15, 2018 , there were 53,250,033 shares of Class A Common Stock, par value $.01 per share, outstanding.

Documents Incorporated by Reference

Certain sections of the registrant's Notice of Annual Meeting of Stockholders and Proxy Statement for its Annual Meeting of Stockholders to be held on May 17, 2018, are incorporated by reference into Part III of this report, as indicated herein.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES

INDEX

		PAGE
PART I		
Item 1.	Business	3
Item 1A.	Risk Factors	10
Item 1B.	Unresolved Staff Comments	20
Item 2.	Properties	20
Item 3.	Legal Proceedings	20
Item 4.	Mine Safety Disclosures	20
PART II		
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	21
Item 6.	Selected Financial Data	23
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	24
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	35
Item 8.	Financial Statements and Supplementary Data	36
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosures	36
Item 9A.	Controls and Procedures	36
Item 9B.	Other Information	38
PART III		
Item 10.	Directors, Executive Officers and Corporate Governance	39
Item 11.	Executive Compensation	39
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	39
Item 13.	Certain Relationships and Related Transactions, and Director Independence	39
Item 14.	Principal Accounting Fees and Services	39
PART IV		
Item 15.	Exhibits, Financial Statement Schedules	40
SIGNATURES		
Signatures		41
CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULE		
Index to Consolidated Financial Statements and Schedule		F- 1
EXHIBITS		
Index to Exhibits		F- 38

PART I

References in this document to "the Company," "we," "us," or "our" refer to Zebra Technologies Corporation and its subsidiaries, unless the context specifically indicates otherwise.

Safe Harbor
Forward-looking statements contained in this filing are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995 and are highly dependent upon a variety of important factors, which could cause actual results to differ materially from those expressed or implied in such forward-looking statements. When used in this document and documents referenced, the words "anticipate," "believe," "intend," "estimate," "will," and "expect" and similar expressions as they relate to the Company or its management are intended to identify such forward-looking statements but are not the exclusive means of identifying these statements. The forward-looking statements include, but are not limited to, the Company's financial outlook for the first quarter and full year of 2018 . These forward-looking statements are based on current expectations, forecasts and assumptions and are subject to the risks and uncertainties inherent in the Company's industry, market conditions, general domestic and international economic conditions, and other factors. These factors include:

- Market acceptance of the Company's products and solution offerings and competitors' offerings and the potential effects of technological changes,
- The effect of global market conditions, including North America; Europe, Middle East, and Africa; Latin America; and Asia-Pacific regions in which we do business,
- The impact of foreign exchange rates due to the large percentage of our sales and operations being outside the United States ("U.S."),
- Our ability to control manufacturing and operating costs,
- Risks related to the manufacturing of the Company's products and conducting business operations in non-U.S. countries, including the risk of depending on key suppliers who are also in non-U.S. countries,
- The Company's ability to purchase sufficient materials, parts, and components to meet customer demand, particularly in light of global economic conditions,
- The availability of credit and the volatility of capital markets, which may affect our suppliers, customers, and ourselves,
- Success of integrating acquisitions,
- Interest rate and financial market conditions,
- Access to cash and cash equivalents held outside the U.S.,
- The effect of natural disasters on our business,
- The impact of changes in foreign and domestic governmental policies, laws, or regulations,
- The outcome of litigation in which the Company may be involved, particularly litigation or claims related to infringement of third-party intellectual property rights, and
- The outcome of any future tax matters or tax law changes.

We encourage readers of this report to review Item 1A, "Risk Factors," in this report for further discussion of issues that could affect the Company's future results. We undertake no obligation, other than as may be required by law, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances, or any other reason after the date of this report.

Item 1. Business

The Company
We are a global leader in the Automatic Identification and Data Capture ("AIDC") market. The AIDC market consists of mobile computing, data capture, radio frequency identification devices ("RFID"), barcode printing, and other automation products and services. The Company's solutions are proven to help our customers and end-users achieve their mission critical strategic business objectives, including improved operational efficiency, optimized workflows, increased asset utilization, and better customer experiences.

We design, manufacture, and sell a broad range of AIDC products, including: mobile computers, barcode scanners, RFID readers, specialty printers for barcode labeling and personal identification, real-time location systems ("RTLS"), related accessories and supplies, such as self-adhesive labels and other consumables, and software utilities and applications. We also provide a full range of services, including maintenance, technical support, repair, managed and professional services, including cloud-based subscriptions. End-users of our products and services include retail and e-commerce, transportation and logistics, manufacturing, health care, hospitality, warehouse and distribution, energy and utilities, government, and education enterprises around the world. We provide our products and services globally through a direct sales force and extensive network of channel

partners. We provide products and services in over 180 countries, with 114 facilities and approximately 7,000 employees worldwide.

Through innovative application of our technologies, we are leading an evolution of the AIDC market into Enterprise Asset Intelligence ("EAI"). Specifically, EAI encompasses solutions which "sense" information from enterprise assets, including packages moving through a supply chain, equipment in a factory, workers in a warehouse, and shoppers in a store. Operational data from enterprise assets, including status, location, utilization, and preferences, is then analyzed to provide actionable insights. Finally, with the benefits of mobility, these insights can be delivered to the right user at the right time to drive more effective actions. As a result, our solutions and technologies enable enterprises to "sense, analyze, and act" more effectively to improve operational effectiveness and achieve critical business objectives.

The evolution of the AIDC market toward a more strategically oriented EAI focus is being driven by strong underlying secular trends in technology. These trends include internet of things ("IoT"), cloud-based data analytics, and mobility. The IoT is enabling a proliferation of smart, connected devices. EAI solutions, which include these smart, connected devices, capture a much broader range of information than is possible with traditional AIDC solutions and communicate this information in real-time. Cloud computing and expanded data analytics are allowing enterprises to make better business decisions through improved timeliness and visibility to information and workflows. While traditional AIDC solutions sporadically capture limited amounts of data and populate static enterprise systems, EAI solutions continuously analyze real-time data from many sources to generate actionable insights. Finally, the continued rapid growth of mobile devices and applications are significantly expanding mobile computing use cases to levels of near ubiquity in the enterprise. With this expanded mobility, end-users are able to consume or act upon dynamic enterprise data and information anytime and anywhere. The broad availability of wireless and internet connectivity also supports the adoption and deployment of the Company's solutions to enable organizations to collect more data in real-time on the location, movement, and condition of their assets.

Integration of Enterprise Business
In October 2014, the Company acquired the Enterprise business ("Enterprise"), excluding its iDEN or Integrated Digital Enhanced Network Business, from Motorola Solutions, Inc. ("MSI") for $3.45 billion in cash (the "Acquisition").

The Company funded the Acquisition through a combination of cash on hand of $250 million, the sale of 7.25% senior notes due 2022 in an aggregate principal amount of $1.05 billion (the "Senior Notes"), and a credit agreement with various lenders that provided a term loan of $2.2 billion (the "Term Loan") due 2021. During 2017, the Company executed a debt restructuring program, which included entering into an Amended and Restated Credit Agreement ("A&R Credit Agreement") facility and a receivables financing facility which resulted in the redemption of the Senior Notes and a lower cost of debt.

Since closing the Acquisition in October 2014, integration activities by the Company have focused on creating "One Zebra" by integrating the operations of Enterprise to create a single business with common sales, service, supply chain, marketing, finance, information technology ("IT"), and other functions. Our integration priorities centered on maintaining business continuity while identifying and implementing cost synergies, operating efficiencies, and integration of functional organizations and processes. Another key focus of the integration was to conclude MSI-provided transition service agreements ("TSAs") related primarily to IT support services. These TSAs were an interim measure to continue the operations of the Enterprise business without disruption while integration activities were completed.

During 2017, the Company substantially completed its integration activities, including the implementation of a common enterprise resource planning system, associated with the Acquisition. The Company also exited the TSAs with MSI.

Dispositions
On October 28, 2016, the Company concluded its Asset Purchase Agreement with Extreme Networks, Inc. ("Extreme") whereby the Company sold its wireless LAN ("WLAN") business ("Divestiture Group") for a gross purchase price of $55 million. See Note 3, *Business Combinations and Divestitures* .

Operations
Our operations consist of two segments. In January 2018, the Company changed the names of the reportable segments to better reflect business operations: (1) Asset Intelligence & Tracking ("AIT"), formerly Legacy Zebra, comprised of barcode and card printing, location solutions, supplies, and services; and (2) Enterprise Visibility & Mobility ("EVM"), formerly Enterprise, comprised of mobile computing, data capture, RFID, and services.

Asset Intelligence & Tracking
Barcode and Card Printing: We design, manufacture, and sell printers, which produce high-quality labels, wristbands, tickets, receipts, and plastic cards on demand. Our customers use our printers in a wide range of applications, including routing and tracking, patient safety, transaction processing, personal identification, and product authentication. These applications require

high levels of data accuracy, speed, and reliability. They also include specialty printing for receipts and tickets for improved customer service and productivity gains. Plastic cards are used for secure, reliable personal identification (e.g. state identification cards and drivers' licenses, healthcare IDs), access control (e.g. employee or student building access), and financial cards (e.g. credit, debit and ATM cards) by financial institutions. Our RFID printers/encoders are used to print and encode passive RFID labels. We offer a wide range of accessories and options for our printers, including vehicle mounts and battery chargers.

Supplies: We produce and sell stock and customized thermal labels, receipts, ribbons, plastic cards, and wristbands suitable for use with our printers, and also wristbands which can be imaged in most commercial laser printers. We support our printing products, resellers, and end-users with an extensive line of superior quality, high-performance supplies optimized to a particular end-user's needs. We promote the use of genuine Zebra branded supplies with our printing equipment. We also provide a family of self-laminating wristbands for use in laser printers. These wristbands are marketed under the LaserBand ® name. We operate supplies production facilities located in the United States and Western Europe. We supplement our in-house production capabilities with those of third-party manufacturers to offer genuine Zebra supplies, principally in Asia.

Services: We provide a full range of maintenance, technical support, and repair services. We also provide managed and professional services including those which help customers manage their devices and related software applications. Our offerings include cloud-based subscriptions and multiple service levels. They are typically contracted through multi-year service agreements. We provide our services directly and through our global network of partners.

Location Solutions: The Company offers a range of RTLS and services which incorporate active and passive RFID and other tracking technologies to enable users to locate, track, manage, and optimize the utilization of enterprise assets and personnel. We provide substantially all elements of the location solution, including tags, sensors, exciters, middleware software, and application software. Our location solutions are deployed primarily in manufacturing, aerospace, transportation and logistics, sports, and healthcare industries. Various sports teams utilize our MotionWorks ® sports solution to track the location and movement of personnel and objects in real-time during sporting events, as well as in training and practice activities.

Enterprise Visibility & Mobility

Mobile Computing: We design, manufacture, and sell rugged and enterprise-grade mobile computing products in a variety of specialized form factors and designs to meet a wide variety of enterprise applications. Industrial applications include inventory management in warehouses and distribution centers; field mobility applications include field service, post and parcel, and direct store delivery; and retail and customer facing applications include e-commerce, omnichannel, mobile point of sale, inventory look-up, and staff collaboration. Our products incorporate both Android™ and Microsoft® Windows® operating systems and support local- and wide-area voice and data communications. Our mobile computing products often incorporate barcode scanning, global position system ("GPS") and RFID features, and other sensory capabilities. We also provide related software tools, utilities, and applications.

Data Capture and RFID: We design, manufacture, and sell barcode scanners, image capture devices, and RFID readers. Our portfolio of barcode scanners includes laser scanning and imager products and form factors, including fixed, handheld, and embedded original equipment manufacturer ("OEM") modules. The Company's data capture products capture business-critical information by decoding barcodes and images, and transmit the resulting data to enterprise systems for analysis and timely decision making. Common applications include asset identification and tracking and workflow management in a variety of industries, including retail, transportation and logistics, manufacturing, and healthcare. Our RFID line of data capture products is focused on ultra-high frequency ("UHF") technology. These RFID devices comply with the electronic product code ("EPC") global Generation 2 UHF standard and similar standards around the world. We also provide related accessories.

Services: We provide a full range of maintenance, technical support, and repair services. We also provide managed and professional services that, among other things, help customers design, test, and deploy our solutions as well as manage their mobility devices, software applications and workflows. Our offerings include cloud-based subscriptions and multiple service levels. They are typically contracted through multi-year service agreements. We provide our services directly and through our global network of partners.

Our Competitive Strengths

The following are core competitive strengths that we believe enable us to differentiate ourselves from our competitors:

An industry leader focused solely on improving enterprise operations

We are a market leader in the key technologies of Enterprise Asset Intelligence, including mobile computing, barcode and card printing, data capture, and RFID readers. We also provide related software, services, and accessories. Our leadership position enables us to work with and support customers globally, in a variety of industries, who are focused on implementing leading-edge solutions.

High entry and switching barriers
On a global basis, we have long-standing relationships with end customers and with our extensive network of channel partners. We believe these customer relationships and our strong partner network are critical to our success and would be difficult for a new market entrant to replicate. We believe a significant portion of our products are deployed with specialized product performance and software application requirements, which could result in high switching costs.

Commitment to innovation and deep industry-specific expertise
We leverage our strong commitment to innovation and deep industry-specific expertise to deliver end-to-end solutions to a wide array of industries, with a broad portfolio of products and services.

Highly diversified business mix
We are highly diversified across business segments, end markets, geographies, customers, and suppliers. Additionally, we have strong recurring business in services and supplies driven by an extensive global installed base of products.

Global reach and brand
We sell to customers directly and through our network of channel partners around the world. This global presence gives us the capability to supply our customers with products, solutions, and services no matter the location of their operations. In addition, we believe we have strong brand recognition with a reputation in the industry as a trusted and strategic partner.

Scale advantages
We believe the size and scope of our operations, including market leadership, product development investment, portfolio breadth, and global distribution, give us advantages over our competitors. We believe we have the largest installed base of products compared with other companies in our industry. These characteristics enable us to compete successfully, achieve economies of scale, and develop industry-leading solutions.

Our Business Strategies

Leverage our market leadership position and innovation to profitably grow our core business
We expect to drive revenue growth by continuing to outpace our competition in our core businesses, including mobile computing, data capture, barcode printing, and services. We expect to achieve this by leveraging our broad portfolio of solutions and product innovation and continuing to be a strategic partner to end customers. We also expect to drive growth by capitalizing on technology transitions occurring in the industry, including the transition to the Android™ operating system in mobile computing and transitions in data capture to newer technologies involving 2D imaging and RFID. This includes increased focus on market segments and geographies that offer share-gain opportunities. In addition, we plan to leverage our market-leading installed base to accelerate growth in attach-oriented products, including services, supplies, and accessories. Our global channel partner network is vital to helping us achieve these goals. As such, we will ensure that we provide the necessary value and support for our partners to be successful.

Drive our Enterprise Asset Intelligence vision
We believe that secular technology trends, particularly in enterprise mobility, cloud computing, and IoT are transforming our customers' businesses and our industry and provide us with significant new opportunities to create value for our customers and for the Company. We expect to capitalize on these trends, and in particular the proliferation of smart connected sensors and devices in our core market segments, by providing end-to-end solutions that integrate these sensors and devices with cloud-based workflows and analytics applications. These solutions will enable increased visibility into the enterprise, real-time, actionable information, and improved customer experiences. Our solutions will also increasingly include common features, functions, and user experiences to drive additional competitive differentiation.

Increase our opportunity for growth through expansion in adjacent market segments
We plan to drive growth through expansion in adjacent market segments that share similar technology needs with our core markets. We will focus specifically on segments where our products and solutions, workflow expertise, and customer and industry relationships will enable us to provide significant value to end users.

Continuously improve operating efficiency to expand profitability
We intend to continue to improve profitability through operational execution and increased productivity derived from continuous business process improvement, cost management, and further operating leverage as we grow our business.

Improve cash flow generation and achieve debt leverage target

Our primary balance sheet priority is to expand operating cash flow generation through growth in the business, margin expansion, and maintaining a strong focus on working capital efficiency. Our primary capital allocation priority is achievement of our target debt leverage ratio.

Competition
We operate in a highly competitive environment. The need for companies to improve productivity and implement their strategies, as well as the secular trends around IoT, cloud computing, and mobility, are some of the factors that are creating growth opportunities for established and new competitors.

Key competitive factors include the design, breadth and quality of products and services, price, product performance, durability, product and service availability, warranty coverage, brand recognition, company relationships with customers and channel partners, and company reputation. We believe we compete effectively with respect to these factors.

Mobile Computing : Competitors in mobile computing include companies that have historically served enterprises with ruggedized devices. For some applications, we compete with companies that provide tablets and smart phones. Competitors include: Datalogic, Honeywell, and Panasonic.

Data Capture and RFID : Competitors that provide a broad portfolio of barcode scanning products that are suitable for the majority of global market applications include Datalogic and Honeywell. In addition, we also compete against smaller companies that focus on limited product subsets or specific regions including Fujian Newland and Impinj.

Barcode and Card Printing : We consider our direct competition in printing to be producers of on-demand thermal transfer and direct thermal label printing systems, RFID printer/encoders, and mobile printers. We also compete with companies engaged in the design, manufacture, and marketing of printing systems that use technologies such as ink-jet, direct marking and laser printing, as well as card printers based on ink-jet, thermal transfer, embossing, film-based systems, encoders, laser engraving, and large-scale dye sublimation printers. In addition, service bureaus, which provide centralized services, compete for end-user business and provide an alternative to our card printing solutions. Competitors include: Fargo Electronics (a unit of HID Global), Honeywell, Sato, and Toshiba TEC.

Location Solution s: We compete with a diverse group of companies marketing location solutions that are primarily based on active RFID technologies. Competitors include: Cisco, Impinj, and Stanley Healthcare.

Supplies : The supplies industry is highly fragmented with competition comprised of numerous companies of various sizes around the world.

Customers
End-users of our products are diversified across a wide variety of industries, including retail and e-commerce, transportation and logistics, manufacturing, and healthcare industries. We have had three customers that each accounted for 10% or more of our sales over the past three years. All three of these customers are distributors and not end-users of our products. No end-user has accounted for 10% or more of our sales during these years. See Note 15, *Segment Information and Geographic Data* in the Notes to the Consolidated Financial Statements included in this Form 10-K for further information.

	Year Ended December 31,		
	2017	2016	2015
Customer A	21.3%	20.1%	19.4%
Customer B	14.2%	13.2%	12.7%
Customer C	13.2%	12.4%	11.6%

Sales and Marketing
Sales: We sell our products, solutions, and services primarily through distributors (two-tier distribution), value added resellers ("VAR"), independent software vendors ("ISVs"), direct marketers, and OEMs. We also sell directly to a select number of customers through our direct sales force. Distributors purchase our products and sell to VARs, ISVs and others, thereby increasing the distribution of our products globally. VARs, ISVs, OEMs, and systems integrators provide customers with a variety of hardware, accessories, software applications, and services. VARs and ISVs typically customize solutions for specific end-user applications using their industry, systems, and applications expertise. Some OEMs resell the Zebra-manufactured products under their own brands as part of their own product offering. Because these sales channels provide specific software, configuration, installation, integration, and support services to end-users within various industry segments, these relationships are highly valued by end-users and allow our products to reach customers in a wide array of industries around the world. We believe that the breadth of our distributor and channel partner network is a competitive differentiator and enhances our ability to compete. Finally, we experience some seasonality in sales, depending upon the geographic region and industry served.

Marketing: Our marketing function aligns closely with sales and product management functions to market our products and to deliver and promote solutions that address the needs of our customers and partners. Our marketing organization includes global corporate marketing, strategic marketing, regional marketing, product marketing, global demand center, and channel marketing functions. Our corporate marketing function manages our brand, public relations, and other communications activities. Strategic marketing includes vertical marketing, ISV strategy and business intelligence. Regional marketing encompasses field and channel marketing, demand generation, and sales enablement. Product marketing manages our product launches and lifecycle go-to-market strategy. Our global demand center leads content development and digital marketing, including our website and social media. The global channel team develops and executes channel strategy and operations.

Manufacturing and Outsourcing
Final assembly of our hardware products is performed by third-parties, including electronics manufacturing services companies ("EMS") and joint design manufacturers ("JDMs"). Our products are produced primarily in facilities located in China, Mexico, and Brazil. These JDMs or manufacturers produce our products to our design specifications. We maintain control over portions of the supply chain, including supplier selection and price negotiations for key components. The manufacturers purchase the components and subassemblies used in the production of our products. Our products are shipped to regional distribution centers, operated by 3 rd party logistics providers ("3PL's") or the Company. A portion of products are reconfigured at the distribution centers through firmware downloads, packaging, and customer specific customization before they are shipped to customers. In addition, certain products are manufactured in accordance with procurement regulations and various international trade agreements, and remain eligible for sale to the United States government. Production facilities for our supplies products are located in the United States and Western Europe. We also supplement our in-house production capabilities with those of third-party manufacturers to offer our supplies, principally in Asia.

Research and Development
The Company devotes significant resources to developing innovative solutions for our target markets and ensuring that our products and services maintain high levels of reliability and provide value to end-users. Research and development expenditures for the years ended 2017 , 2016 , and 2015 were $389 million , $376 million , and $394 million respectively, or 10.5% of net sales for 2017 and 2016 and 10.8% of net sales in 2015 . We have more than 1,500 engineers worldwide focused on strengthening and broadening our extensive portfolio of products and solutions.

Our Technology
Mobile Computing : Our mobile computing products incorporate a wide array of advanced technologies in rugged, ergonomic enclosures to meet the needs of specific use cases. These purpose-built devices couple hardened industry-standard operating systems with specialized hardware and software features to satisfy a customer's mission-critical applications. Purpose-built rugged housings ensure reliable operations for targeted use cases, surviving years of rough handling and harsh environments. Specialized features such as advanced data capture technologies, voice and video collaboration tools, and advanced battery technologies enable our customers to work more efficiently and better serve their customers. A broad portfolio of enterprise accessories further tailors mobile computers to meet a wide variety of enterprise use cases. Our mobile computers are offered with software tools and services that support application development, device configuration, and field support to facilitate smooth and rapid deployment and ensure maximum customer return on investment.

Data Capture and RFID : Our data capture products allow businesses to track business critical information simply, quickly, and accurately by providing critical visibility into business processes and performance and enabling real-time action in response to the information. These products include barcode scanners in a variety of form factors, including fixed and handheld scanners and standalone modules designed for integration into third-party OEM devices. Our scanners incorporate a variety of technologies including area imagers, linear imagers, lasers, and read linear, and two-dimensional barcodes. They are used in a broad range of applications, ranging from supermarket checkout to industrial warehouse optimization to patient management in

hospitals. The design of these products reflects the diverse needs of these markets, with different ergonomics, multiple communication protocols, and varying levels of ruggedness.

Our RFID products include fixed readers, RFID enabled mobile computers, and RFID sleds. These utilize passive Ultra High Frequency ("UHF") to provide high speed, non-line of sight data capture from hundreds or thousands of RFID tags in near real-time. Using the Electronic Product Code ("EPC") standard, end-users across multiple industries take advantage of RFID technology to track high-value assets, monitor shipments, and drive increased retail sales though improved inventory accuracy. We also offer mobile computers that support high frequency ("HF") near-field communications ("NFC") and low frequency ("LF") radio technologies.

Barcode and Card Printing: All of the Company's printers and print engines incorporate thermal printing technology. This technology creates an image by heating certain pixels of an electrical printhead to selectively image a ribbon or heat-sensitive substrate. Thermal printing benefits applications requiring simple and reliable operations, yet it is flexible enough to support a wide range of specialty label materials and associated inks. Our dye-sublimation thermal card printers produce full-color, photographic quality images that are well-suited for driver's licenses, access and identification cards, transaction cards, and on-demand photographs. Many of our printers also incorporate RFID technology that can encode data into passive RFID transponders embedded in a label or card.

The Company's printers integrate company-designed mechanisms, electrical systems, and firmware. Enclosures of metal or high-impact plastic ensure the durability of our printers. Special mechanisms optimize handling of labels, ribbons, and plastic cards. Fast, high-current electrical systems provide consistent image quality. Firmware supports serial, parallel, Ethernet, USB, Bluetooth, or 802.11 wireless communications with appropriate security protocols. Printing instructions can be received as a proprietary language such as Zebra Programming Language II ("ZPL II ® "), as a print driver-provided image, or as user-defined XML. These features make our printers easy to integrate into virtually all common computer systems.

Location Solutions : Our RTLS solutions use active and passive RFID technologies, beacons, and other tracking technologies to locate, track, manage, and optimize high-value assets, equipment, and people. We offer a range of scalable RTLS technologies that generate precise, on-demand information about the physical location and status of high-valued assets. In addition, we offer a selection of RTLS infrastructure products that receive tag transmissions and provide location and motion calculations, database and system management functions and asset visibility. The flexible infrastructure supports large tag populations and coverage areas that range from small to large.

Supplies : Our supplies business includes thermal labels, receipts, ribbons, plastic cards and wristbands suitable for use with our printers, and wristbands which can be imaged in most commercial laser printers. Our wristbands incorporate multi-layer form technology to ensure trouble-free printing, wearer comfort, and reliable barcode reading, even when exposed to harsh chemical environments. We offer many thermal label, card, and receipt materials, and matching ribbons for diverse applications that may require meeting unique or precise specifications, including chemical or abrasion resistance, extreme temperatures, exceptional image quality, or long life.

Intellectual Property

We rely on a combination of trade secrets, patents, trademarks, copyrights, and contractual rights to establish and protect our innovations, and hold a large portfolio of intellectual property rights in the United States and other countries. As of December 31, 2017 , the Company owned approximately 1,600 trademark registrations and trademark applications, and approximately 4,300 patents and patent applications, worldwide. We continue to actively seek to obtain patents and trademarks, whenever possible and practical, to secure intellectual property rights in our innovations.

We believe that our intellectual property will continue to provide us with a competitive advantage in our core product areas as well as provide leverage for future technologies. We also believe that we are not dependent upon any single patent or select group of patents. Our success depends more upon our extensive know-how, deep understanding of end-user processes and workflows, innovative culture, technical leadership and marketing and sales abilities. Although we do not rely only on patents or other intellectual property rights to protect or establish our market position, we will enforce our intellectual property rights when and where appropriate.

Employees

As of December 31, 2017 , the Company employed approximately 7,000 persons. Some portions of our business, primarily in Europe and China, are subject to labor laws that differ significantly from those in the United States. In Europe, for example, it is common for a works council to represent employees when discussing matters such as compensation, benefits, restructurings and layoffs. We consider our relations with our employees to be very good.

Regulatory Matters

Wireless Regulatory Matters
Our business is subject to certain wireless regulatory matters.

The use of wireless voice, data, and video communications systems requires radio spectrum, which is regulated by government agencies throughout the world. In the U.S., the Federal Communications Commission ("FCC") and the National Telecommunications and Information Administration ("NTIA") regulate spectrum use by non-federal entities and federal entities, respectively. Similarly, countries around the world have one or more regulatory bodies that define and implement the rules for use of the radio spectrum, pursuant to their respective national laws and international coordination under the International Telecommunications Union. We manufacture and market products in spectrum bands already made available by regulatory bodies-these include voice and data infrastructure, mobile radios, and portable or hand-held devices. Consequently, our results of operations could be positively or negatively affected by the rules and regulations adopted from time-to-time by the FCC, NTIA, or regulatory agencies in other countries. Our products operate both on licensed and unlicensed spectrum. The availability of additional radio spectrum may provide new business opportunities, and consequently, the loss of available radio spectrum may result in the loss of business opportunities. Regulatory changes in current spectrum bands may also provide opportunities or may require modifications to some products so they can continue to be manufactured and marketed.

Other Regulatory Matters
Some of our operations use substances regulated under various federal, state, local, and international laws governing the environment and worker health and safety, including those governing the discharge of pollutants into the ground, air and water, the management and disposal of hazardous substances and wastes and the cleanup of contaminated sites. Certain products are subject to various federal, state, local, and international laws governing chemical substances in electronic products. During 2017 , compliance with U.S. federal, state and local, and foreign laws regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment did not have a material effect on our business or results of operations.

Item 1A. Risk Factors

Investors should carefully consider the risks, uncertainties, and other factors described below, as well as other disclosures in Management's Discussion and Analysis of Financial Condition and Results of Operations, because they could have a material adverse effect on our business, financial condition, operating results, cash flows, and growth prospects. These risks are not the only risks we face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial.

We have organized the risk factors into two sections: (1) Risks related to our business; and (2) Risks related to our Indebtedness.

Risks related to our business

The Company has substantial operations and sells a significant portion of our products outside of the U.S. and purchases important components, including final products, from suppliers located outside the U.S. Shipments to non-U.S. customers are expected to continue to account for a material portion of net sales. We also expect to continue the use of third-party contract manufacturing services with non-U.S. production and assembly operations for our products.

Risks associated with operations, sales, and purchases outside the United States include:

- Fluctuating foreign currency rates could restrict sales, increase costs of purchasing, and impact collection of receivables outside of the U.S.;
- Volatility in foreign credit markets may affect the financial well-being of our customers and suppliers;
- Violations of anti-corruption laws, including the Foreign Corrupt Practices Act and the U.K. Bribery Act could result in large fines and penalties;
- Adverse changes in, or uncertainty of, local business laws or practices, including the following:
    - Foreign governments may impose burdensome tariffs, quotas, taxes, trade barriers, or capital flow restrictions;
    - Restrictions on the export or import of technology may reduce or eliminate the ability to sell in or purchase from certain markets;
    - Political and economic instability may reduce demand for our products or put our non-U.S. assets at risk;
    - Potentially limited intellectual property protection in certain countries may limit recourse against infringing on our products or cause us to refrain from selling in certain geographic territories;
    - Staffing may be difficult along with higher turnover at international operations;
    - A government controlled exchange rate and limitations on the convertibility of currencies, including the Chinese *yuan;*
    - Transportation delays and customs related delays that may affect production and distribution of our products;

- Effectively managing and overseeing operations that are distant and remote from corporate headquarters may be difficult; and
- Integration and enforcement of laws varies significantly among jurisdictions and may change significantly over time.

The Company may not be able to continue to develop products or solutions to address user needs effectively in an industry characterized by ongoing change. To be successful, we must adapt to rapidly changing technological and application needs by continually improving our products, as well as introducing new products and services, to address user demands.

The Company's industry is characterized by:

- Evolving industry standards;
- Frequent new product and service introductions;
- Evolving distribution channels;
- Increasing demand for customized product and software solutions;
- Changing customer demands; and
- Changing security protocols.

Future success will depend on our ability to effectively and economically adapt in this evolving environment. We could incur substantial costs if we must modify our business to adapt to these changes, and may even be unable to adapt to these changes.

The Company participates in a competitive industry, which may become more competitive. Competitors may be able to respond more quickly to new or emerging technology and changes in customer requirements. We face significant competition in developing and selling our products and solutions. To remain competitive, we believe we must continue to effectively and economically provide:

- Technologically advanced systems that satisfy user demands;
- Superior customer service;
- High levels of quality and reliability; and
- Dependable and efficient distribution networks.

We cannot assure we will be able to compete successfully against current or future competitors. Increased competition in mobile computing products, data capture products, printers, or supplies may result in price reductions, lower gross profit margins, and loss of market share, and could require increased spending on research and development, sales and marketing, and customer support. Some competitors may make strategic acquisitions or establish cooperative relationships with suppliers or companies that produce complementary products, which may create additional pressures on our competitive position in the marketplace.

The Company is vulnerable to the potential difficulties associated with the increase in the complexity of our business . We have grown rapidly over the last several years through the Acquisition and worldwide growth. This growth has caused increased complexities in the business. We believe our future success depends in part on our ability to manage our growth and increased complexities of our business. The following factors could present difficulties to us:

- Managing our distribution channel partners;
- Managing our contract manufacturing and supply chain;
- Manufacturing an increased number of products;
- Increased administrative and operational burden;
- Maintaining and improving information technology infrastructure to support growth;
- Increased logistical problems common to complex, expansive operations;
- Increasing international operations; and
- Attract, develop and retain individuals with the requisite technical expertise to develop new technologies and introduce new products and solutions.

Inability to consummate future acquisitions at appropriate prices could negatively impact our growth rate and stock price. Our ability to expand revenues, earnings, and cash flow depends in part upon our ability to identify and successfully acquire and integrate businesses at appropriate prices and to realize anticipated synergies. Acquisitions can be difficult to identify and consummate due to competition among prospective buyers and the need to satisfy applicable closing conditions and obtain antitrust and other regulatory approval on acceptable terms.

The Company could encounter difficulties in any acquisition it undertakes, including unanticipated integration problems and business disruption. Acquisitions could also dilute stockholder value and adversely affect operating results. We may acquire or make investments in other businesses, technologies, services, or products. An acquisition may present business issues which are new to us. The process of integrating any acquired business, technology, service, or product into our operations may result in unforeseen operating difficulties and expenditures. Integration of an acquired company also may consume considerable management time and attention, which could otherwise be available for ongoing operations and the further development of our existing business. These and other factors may result in benefits of an acquisition not being fully realized.

Acquisitions also may involve a number of risks, including:

- Difficulties and uncertainties in retaining the customers or other business relationships from the acquired entities;
- The loss of key employees of acquired entities;
- The ability of acquired entities to fulfill their customers' obligations;
- The discovery of unanticipated issues or liabilities;
- Pre-closing and post-closing acquisition-related earnings charges could adversely impact operating results and cash flows in any given period, and the impact may be substantially different from period to period;
- The failure of acquired entities to meet or exceed expected returns could result in impairment of goodwill or intangible assets acquired;
- The acquired entities' ability to implement internal controls and accounting systems necessary to be compliant with requirements applicable to public companies subject to SEC reporting, which could result in misstated financial reports; and
- Future acquisitions could result in potentially dilutive issuances of equity securities or the incurrence of debt and contingent liabilities.

Infringement by the Company or our suppliers on the proprietary rights of others could put us at a competitive disadvantage, and any related litigation could be time consuming and costly. Third parties may claim that we or our suppliers violated their intellectual property rights. To the extent of a violation of a third-party's patent or other intellectual property right, we may be prevented from operating our business as planned, and may be required to pay damages, to obtain a license, if available, or to use a non-infringing method, if possible, to accomplish our objectives. Any of these claims, with or without merit, could result in costly litigation and divert the attention of key personnel. If such claims are successful, they could result in costly judgments or settlements. Also, as new technologies emerge the intellectual property rights of parties in such technologies can be uncertain. As a result, our products involving such technologies may have higher risk of claims of infringement of the intellectual proprietary rights of third parties.

The inability to protect intellectual property could harm our reputation, and our competitive position may be materially damaged. Our intellectual property is valuable and provides us with certain competitive advantages. We use copyrights, patents, trademarks, trade secrets, and contracts to protect these proprietary rights. Despite these precautions, third parties may be able to copy or reproduce aspects of our intellectual property and our products or, without authorization, to misappropriate and use information, which we regard as trade secrets. Additionally, the intellectual property rights we obtain may not be sufficient to provide us with a competitive advantage and may be successfully challenged, invalidated, circumvented, or infringed. In any infringement litigation that the Company may undertake to protect our intellectual property, any award of monetary damages may be unlikely or very difficult to obtain, and any such award we may receive may not be commercially valuable. Furthermore, efforts to enforce or protect our proprietary rights may be ineffective and could result in the invalidation or narrowing of the scope of our intellectual property and incurring substantial litigation costs. Because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of the Company's confidential information could be compromised by disclosure during this type of litigation. Some aspects of our business and services also rely on technologies, software, and content developed by or licensed from third parties, and we may not be able to maintain our relationships with such third parties or enter into similar relationships in the future on reasonable terms or at all.

We currently use third party and/or open source operating systems and associated application ecosystems in certain of our products. Such parties ceasing continued development of the operating system or restricting our access to such operating system could adversely impact our business and financial results. We are dependent on third-parties' continued development of operating systems, software application ecosystem infrastructures, and such third-parties' approval of our implementations of their operating system and associated applications. If such parties cease to continue development or support of such operating systems or restrict our access to such operating systems, we would be required to change our strategy for such devices. As a result, our financial results could be negatively impacted because a resulting shift away from the operating systems we currently use and the associated applications ecosystem could be costly and difficult. A strategy shift could increase the burden of development on the Company and potentially create a gap in our portfolio for a period of time, which could competitively disadvantage us.

Cybersecurity incidents could disrupt business operations. Like many companies, we continually strive to meet industry information security standards relevant to our business. We periodically perform vulnerability assessments, remediate vulnerabilities, review log/access, perform system maintenance, manage network perimeter protection, implement and manage disaster recovery testing, and provide periodic educational sessions to our employees to foster awareness of schemes to access sensitive information. A cybersecurity incident could include an attempt to gain unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. "Phishing" and other types of attempts to obtain unauthorized information or access are often sophisticated and difficult to detect or defeat.

A cybersecurity incident, including deliberate attacks and unintentional events, may lead to a material disruption of our core business systems, the loss or corruption of confidential business information and/or the disclosure of personal data that in each case could result in an adverse business impact, as well as, possible damage to our brand. This could also lead to a public disclosure or theft of private intellectual property and a possible loss of customer confidence.

While we have experienced and expect to continue to experience these types of threats and incidents, there have been no material incidents incurred to-date at the Company. If our core business operations, or that of one of our third-party service providers, were to be breached, this could affect the confidentiality, integrity, and availability of our systems and data. While we continue to perform security due diligence, there is always the possibility of a significant breach affecting the confidentiality, integrity, and availability of our systems and/or data.

Our products that are deployed in customer environments also have the possibility of being breached, which could result in damage to a customer's confidentiality, integrity, and availability of the customer's data and systems. It is possible that such a breach could result in delays in, or loss of market acceptance of, our products and services; diversion of our resources; injury to our reputation; increased service and warranty expenses; and payment of damages. To date, we have had no material incidents related to the security on our products.

Laws and regulations relating to the handling of personal data may result in increased costs, legal claims, or fines against the Company. As part of our operations, the Company collects, uses, stores, and transfers personal data of third parties and employees in and across jurisdictions. The governing bodies in such jurisdictions have adopted or are considering adopting laws and regulations regarding the collection, use, transfer, storage and disclosure of personal data obtained from third parties and employees; for example, General Data Protection Regulation effective May 2018. These laws may result in burdensome or inconsistent requirements affecting the collection, use, storage, transfer and disclosure of our third party and employee personal data. Compliance may require changes in services, business practices, or internal systems that result in increased costs, lower revenue, reduced efficiency, or greater difficulty in competing with foreign-based firms. Failure to comply with existing or new rules may result in claims against the Company or significant penalties or orders to stop the alleged noncompliant activity.

We may incur liabilities as a result of product failures due to actual or apparent design or manufacturing defects . We may be subject to product liability claims, which could include claims for property or economic damage or personal injury, in the event our products present actual or apparent design or manufacturing defects. Such design or manufacturing defects may occur not only in our own designed products but also in components provided by third party suppliers. We generally have insurance protection against property damage and personal injury liabilities and also seek to limit such risk through product design, manufacturing quality control processes, product testing and contractual indemnification from suppliers. However, due to the large and growing size of the Company's installed product base, a design or manufacturing defect involving this large installed product base could result in product recalls or customer service costs that could have material adverse effects on our financial results.

Defects or errors in the Company's software products could harm our reputation, result in significant cost to us, and impair our ability to market such products. Our software may contain undetected errors, defects, or bugs. Although we have not suffered significant harm from any errors, defects, or bugs to date, we may discover significant errors, defects, or bugs in the future that we may not be able to correct or correct in a timely manner. It is possible that errors, defects, or bugs will be found in our existing or future software products and related services with the possible results of delays in, or loss of market acceptance of, our products and services, diversion of our resources, injury to our reputation, increased service and warranty expenses, and payment of damages.

We depend on the ongoing services of our senior management and the ability to attract and retain key personnel. The future success of the Company is substantially dependent on the continued services and continuing contributions of senior management and other key personnel. The ability to attract, retain, and motivate highly skilled employees is important to our long-term success. Competition for skill sets in certain functions within our industry is intense, and we may be unable to retain key employees or attract, assimilate, or retain other highly qualified employees in the future. Any disruption in the services of senior management or our ability to attract and retain key personnel may have a material adverse effect on our business and results of operations.

Terrorist attacks or war could lead to further economic instability and adversely affect the Company's stock price, operations, and profitability. The terrorist attacks that occurred in the United States on September 11, 2001 caused major instability in the U.S. and other financial markets. Since then, a number of significant acts of terrorism have occurred, and war continues in the Middle East, all of which may contribute to instability in financial markets. Additional acts of terrorism and current and future war risks could have a similar impact. Any such attacks could, among other things, cause further instability in financial markets and could directly, or indirectly through reduced demand, negatively affect our facilities and operations or those of our customers or suppliers.

The impact of potential changes in customs and trade policies in the United States and the potential corresponding actions by other countries in which the Company does business could adversely affect our financial performance. The U.S. government has made proposals that are intended to address trade imbalances, which include encouraging increased production in the United States. These proposals could result in increased customs duties and the renegotiation of some U.S. trade agreements. The Company imports a significant percentage of our products into the United States, and an increase in customs duties with respect to these imports could negatively impact the Company's financial performance. If such customs duties are implemented, it also may cause the U.S.' trading partners to take actions with respect to U.S. imports or U.S. investment activities in their respective countries. Any potential changes in trade policies in the United States and the potential corresponding actions by other countries in which the Company does business could adversely affect the Company's financial performance. Given the level of uncertainty over which provisions will be enacted, the Company cannot predict with certainty the impact of the proposals.

The effects of the Tax Cuts and Jobs Act on our business have not yet been fully analyzed and could have an adverse effect on our results of operations . On December 22, 2017, U.S. President Donald Trump signed into law the Tax Cuts and Jobs Act (the "TCJA") that significantly reforms the Internal Revenue Code of 1986, as amended. The TCJA, among other things, includes changes to U.S. federal corporate income tax rate, imposes significant additional limitations on the deductibility of interest, allows for the accelerated expensing of capital expenditures, and puts into effect the migration from a "worldwide" system of taxation to a territorial system. We continue to analyze the impact the TCJA may have on the Company's business. Notwithstanding the reduction in the U.S federal corporate income tax rate, the overall impact of the TCJA is uncertain, and the Company's business and financial condition could be adversely affected. We describe the estimated impact of the TCJA on our business where appropriate throughout this Form 10-K, and specifically in Note 12, *Income Taxes* in the Notes to the Consolidated Financial Statements included in this Form 10-K.

Taxing authority challenges may lead to tax payments exceeding current reserves. We are subject to, and may become subject to, ongoing tax examinations in various jurisdictions. As a result, we may record incremental tax expense based on expected outcomes of such matters. In addition, we may adjust previously reported tax reserves based on expected results of these examinations. Such adjustments could result in an increase or decrease to the Company's effective tax rate and cash flows. Future changes in tax law in various jurisdictions around the world and income tax holidays could have a material impact on our effective tax rate, foreign rate differential, future income tax expense, and cash flows.

Forecasting our estimated annual effective tax rate is complex and subject to uncertainty, and there may be material differences between our forecasted and actual tax rates. Forecasts of our income tax position and effective tax rate are complex, subject to uncertainty and periodic updates because our income tax position for each year combines the effects of a mix of profits earned and losses incurred by us in various tax jurisdictions with a broad range of income tax rates, as well as changes in the valuation of deferred tax assets and liabilities, the impact of various accounting rules and changes to these rules and tax laws, the results of examinations by various tax authorities, and the impact of any acquisition, business combination, disposition or other reorganization, or financing transaction.

As a multinational corporation, we conduct our business in many countries and are subject to taxation in many jurisdictions. The taxation of our business is subject to the application of multiple and sometimes conflicting tax laws and regulations, as well as multinational tax conventions. Many countries are adopting revisions to their respective tax laws based on the on-going reports issued by the Organization for Economic Co-operation and Development ("OECD")/G20 Base Erosion and Profit Shifting ("BEPS") Project, which, if enacted, could materially impact our tax liability due to our organizational structure and significant operations outside of the U.S. Our effective tax rate is highly dependent upon the geographic distribution of our worldwide earnings or losses resulting from our structure and operating model, the tax regulations and tax holidays in each geographic region, and the availability of tax credits and carry-forwards. The application of tax laws and regulations is subject to legal and factual interpretation, judgment, and uncertainty. Tax laws themselves are subject to change as a result of changes in fiscal policy, changes in legislation, and the evolution of regulations and court rulings. Consequently, taxing authorities may impose tax assessments or judgments against us that could materially impact our tax liability and/or our effective income tax rate.

Economic conditions and financial market disruptions may adversely affect our business and results of operations . Adverse economic conditions or reduced information technology spending may adversely impact our business. General disruption of financial markets and a related general economic downturn could adversely affect our business and financial condition through a reduction in demand for our products by our customers. If a slowdown were severe enough, it could require further impairment testing and write-downs of goodwill and other intangible assets. Cost reduction actions may be necessary and might lead to restructuring charges. A tightening of financial credit could adversely affect our customers, suppliers, outsourced manufacturers, and channel partners (e.g., distributors and resellers) from obtaining adequate credit for the financing of significant purchases. An economic downturn could also result in a decrease in or cancellation of orders for our products and services; negatively impacting the ability to collect accounts receivable on a timely basis; result in additional reserves for uncollectible accounts receivable; and require additional reserves for inventory obsolescence. Higher volatility and fluctuations in foreign exchange rates for the U.S. dollar against currencies such as the euro, the British pound, the Chinese *yuan* , and the Brazilian real could negatively impact product sales, margins, and cash flows.

A natural disaster may cause supply disruptions that could adversely affect our business and results of operations. Natural disasters may occur in the future, and the Company is not able to predict to what extent or duration any such disruptions will have on our ability to maintain ordinary business operations. The consequences of an unfortunate natural disaster may have a material adverse effect on our business and results of operations.

Zebra could be adversely impacted by the United Kingdom's withdrawal from the European Union. Zebra maintains its European regional headquarters and a label converting facility in the U.K. and has significant operations and sales throughout Europe. Although the U.K. has formally notified the E.U. of its intention to withdraw, such notice only triggered a two-year period ending in March 2019 to negotiate the terms of the withdrawal, which period could be followed by a transition period. Because the terms of the U.K.'s withdrawal are uncertain, we are unable at this time to determine the impact on Zebra's operations and business in the U.K. and Europe. Since the U.K.'s referendum in June 2016 to withdraw from the E.U., markets have been more volatile, including fluctuations in the British pound, that could adversely impact Zebra's operating costs in the U.K. Such market volatility could also cause customers to alter or delay buying decisions that would adversely impact Zebra's sales in the U.K. and throughout Europe. A significant portion of our business involves cross border transactions throughout the region. The future trade relationship between the U.K. and the E.U. could adversely impact Zebra's operations in the region by increasing costs on or importation requirements on shipments between our distribution center in the Netherlands and customers in the U.K. or between our facility in the U.K. and customers in the E.U.

We are exposed to risks under large, multi-year system and solutions and services contracts that may negatively impact our business. We enter into large, multi-year system and solutions and services contracts with our customers. This exposes us to risks, including among others: (i) technological risks, especially when the contracts involve new technology; (ii) financial risks, including the estimates inherent in projecting costs associated with large, long-term contracts and the related impact on operating results; and (iii) cyber security risk, especially in managed services contracts with customers that process personal data. Recovery of front loaded capital expenditures in long-term managed services contracts with customers is dependent on the continued viability of such customers. The insolvency of customers could result in a loss of anticipated future revenue attributable to that program or product, which could have an adverse impact on our profitability.

We enter into fixed-price contracts that could subject us to losses in the event we fail to properly estimate our costs. If our initial cost estimates are incorrect, we can lose money on these contracts. Because many of these contracts involve new technologies and applications and require the Company to engage subcontractors and can last multiple years, unforeseen events, such as technological difficulties, fluctuations in the price of raw materials, problems with our subcontractors or suppliers and other cost overruns, can result in the contract pricing becoming less favorable or even unprofitable to us and have an adverse impact on our financial results. In addition, a significant increase in inflation rates could have an adverse impact on the profitability of longer-term contracts.

We utilize the services of subcontractors to perform under many of our contracts and the inability of our subcontractors to perform in a timely and compliant manner could negatively impact our performance obligations as the prime contractor. We engage subcontractors on many of our contracts and as we expand our global solutions and services business, our use of subcontractors has and will continue to increase. Our subcontractors may further subcontract performance and may supply third-party products and software. We may have disputes with our subcontractors, including disputes regarding the quality and timeliness of work performed by the subcontractor or our subcontractors and the functionality, warranty and indemnities of products, software, and services supplied by our subcontractor. We are not always successful in passing along customer requirements to our subcontractors, and thus in some cases may be required to absorb contractual risks from our customers without corresponding back-to-back coverage from our subcontractor. Our subcontractors may not be able to acquire or maintain the quality of the materials, components, subsystems and services they supply, or secure preferred warranty and indemnity coverage from their suppliers which might result in greater product returns, service problems, warranty claims and costs and regulatory compliance issues and could harm our business, financial condition, and results of operations.

Over the last several years we have outsourced portions of certain business operations such as repair, distribution, engineering services and information technology services and may outsource additional business operations, which limits our control over these business operations and exposes us to additional risk as a result of the actions of our outsource partners. When we outsource certain business operations, we are not able to directly control these activities. Our outsource partners may not prioritize our business over that of their other customers and they may not meet our desired level of service, cost reductions, or other metrics. In some cases, their actions may result in our being found to be in violation of laws or regulations like import or export regulations. As many of our outsource partners operate outside of the U.S., our outsourcing activity exposes us to information security vulnerabilities and increases our global risks. In addition, we are exposed to the financial viability of our outsource partners. Once a business activity is outsourced, we may be contractually prohibited from, or may not practically be able to, bring such activity back within the Company or move it to another outsource partner. The actions of our outsource partners could result in reputational damage to us and could negatively impact our financial results.

Failure of our suppliers, subcontractors, distributors, resellers, and representatives to use acceptable legal or ethical business practices could negatively impact our business. It is our policy to require suppliers, subcontractors, distributors, resellers, and third-party sales representatives ("TPSRs") to operate in compliance with applicable laws, rules, and regulations regarding working conditions, employment practices, environmental compliance, anti-corruption, and trademark and copyright licensing. However, we do not control their labor and other business practices. If one of our suppliers, subcontractors, distributors, resellers, or TPSRs violates labor or other laws or implements labor or other business practices that are regarded as unethical, the shipment of finished products to us could be interrupted, orders could be canceled, relationships could be terminated, and our reputation could be damaged. If one of our suppliers or subcontractors fails to procure necessary license rights to trademarks, copyrights, or patents, legal action could be taken against us that could impact the saleability of the Company's products and expose us to financial obligations to a third-party. Any of these events could have a negative impact on our sales and results of operations.

We rely on third-party dealers, distributors, and resellers to sell many of our products. In addition to our own sales force, we offer our products through a variety of third-party dealers, distributors, and resellers. These third-parties may also market other products that compete with our products. Failure of one or more of our dealers, distributors, or resellers to effectively promote our products could affect our ability to bring products to market and have a negative impact on our results of operations. As the Company refines our channel program, some of our third-party dealers, distributors or resellers may exit the program due to modifications to the program structure, thereby reducing our ability to bring products to market and have a negative impact on our results of operations.

Some of these third-parties are smaller and more likely to be impacted by a significant decrease in available credit that could result from a weakness in the financial markets. If credit pressures or other financial difficulties result in insolvency for third-party dealers, distributors, or retailers and we are unable to successfully transition end-customers to purchase our products from other third-parties or from us directly, it may cause, and in some cases, has caused, a negative impact on our financial results.

Final assembly of certain of our products is performed by third-party electronics manufacturers. We may be dependent on these third-party electronics manufacturers as a sole-source of supply for the manufacture of such products. A failure by such manufacturers to provide manufacturing services to us as we require, or any disruption in such manufacturing services up to and including a catastrophic shut-down, may adversely affect our business results. Because we rely on these third-party electronics manufacturers to manufacture our products, we may incur increased business continuity risks. We are not able to exercise direct control over the assembly or related operations of certain of our products. If these third-party manufacturers experience business difficulties or fail to meet our manufacturing needs, then we may be unable to satisfy customer product demands, lose sales, and be unable to maintain customer relationships. Longer production lead times may result in shortages of certain products and inadequate inventories during periods of unanticipated higher demand. Without such third parties continuing to manufacture our products, we may have no other means of final assembly of certain of our products until we are able to secure the manufacturing capability at another facility or develop an alternative manufacturing facility. This transition could be costly and time consuming.

Although we carry business interruption insurance to cover lost sales and profits in an amount it considers adequate, in the event of supply disruption, this insurance does not cover all possible situations. In addition, the business interruption insurance would not compensate us for the loss of opportunity and potential adverse impact, both short-term and long-term, on relations with our existing customers going forward.

Our future operating results depend on our ability to purchase a sufficient amount of materials, parts, and components, as well as services and software to meet the demands of customers. We source some of our components from sole source suppliers. Any disruption to our suppliers or significant increase in the price of supplies could have a negative impact on our results of operations. Our ability to meet customers' demands depends, in part, on our ability to obtain in a timely manner an adequate

delivery of quality materials, parts, and components, as well as services and software from our suppliers. In addition, certain supplies are available only from a single source or limited sources and we may not be able to diversify sources in a timely manner. If demand for our products or services increases from our current expectations or if suppliers are unable to meet our demand for other reasons, including as a result of natural disasters or financial issues, we could experience an interruption in supplies or a significant increase in the price of supplies that could have a negative impact on our business. We have experienced shortages in the past that have negatively impacted our results of operations and may experience such shortages in the future. Credit constraints at our suppliers could cause us to accelerate payment of accounts payable by us, impacting our cash flow.

In addition, our current contracts with certain suppliers may be canceled or not extended by such suppliers and, therefore, not afford us with sufficient protection against a reduction or interruption in supplies. Moreover, in the event any of these suppliers breach their contracts with us, our legal remedies associated with such a breach may be insufficient to compensate us for any damages it may suffer.

The unfavorable outcome of any pending or future litigation, arbitration, or administrative action could have a material adverse effect on our financial condition or results of operations. From time to time we are a party to litigation, arbitration, or administrative actions. Our financial results and reputation could be negatively impacted by unfavorable outcomes to any pending or future litigation or administrative actions, including those related to the Foreign Corrupt Practices Act, the U.K. Bribery Act, or other anti-corruption laws. There can be no assurances as to the favorable outcome of any litigation or administrative proceedings. In addition, it can be very costly to defend litigation or administrative proceedings and these costs could negatively impact our financial results.

It is important that we are able to obtain many different types of insurance, and if we are not able to obtain insurance or exhaust our coverage we may be forced to retain the risk. We have many types of insurance coverage and are also self-insured for some risks and obligations. While the cost and availability of most insurance is stable, there are still certain types and levels of insurance that remain difficult to obtain, such as professional liability insurance, which is expensive to obtain for the amount of coverage often requested by certain customers. As we grow our global solutions and services business, we are being asked to obtain higher amounts of professional liability insurance, which could result in higher costs to do business. Natural disasters and certain risks arising from securities claims, professional liability, and public liability are potential self-insured events that could negatively impact our financial results. In addition, while we maintain insurance for certain risks, the amount of our insurance coverage may not be adequate to cover all claims or liabilities, and we may be forced to bear substantial costs from an accident, incident, or claim.

We are subject to a wide range of product regulatory and safety, consumer, worker safety, and environmental laws. Our operations and the products we manufacture and/or sell are subject to a wide range of product regulatory and safety, consumer, worker safety, and environmental laws and regulations. Compliance with such existing or future laws and regulations could subject us to future costs or liabilities, impact our production capabilities, constrict our ability to sell, expand or acquire facilities, restrict what products and services we can offer, and generally impact our financial performance. Some of these laws are environmental and relate to the use, disposal, remediation, emission and discharge of, and exposure to hazardous substances. These laws often impose liability and can require parties to fund remedial studies or actions regardless of fault. We continue to incur disposal costs and have ongoing remediation obligations. Environmental laws have tended to become more stringent over time and any new obligations under these laws could have a negative impact on our operations or financial performance.

Laws focused on the energy efficiency of electronic products and accessories; recycling of both electronic products and packaging; reducing or eliminating certain hazardous substances in electronic products; and the transportation of batteries continue to expand significantly. Laws pertaining to accessibility features of electronic products, standardization of connectors and power supplies, the transportation of lithium-ion batteries, and other aspects are also proliferating. There are also demanding and rapidly changing laws around the globe related to issues such as product safety, radio interference, radio frequency radiation exposure, medical related functionality, and consumer and social mandates pertaining to use of wireless or electronic equipment. These laws, and changes to these laws, could have a substantial impact on whether we can offer certain products, solutions, and services, and on what capabilities and characteristics our products or services can or must include.

These laws impact our products and negatively affect our ability to manufacture and sell products competitively. We expect these trends to continue. In addition, we anticipate that it will see increased demand to meet voluntary criteria related to reduction or elimination of certain constituents from products, increasing energy efficiency, and providing additional accessibility.

Section 404 of the Sarbanes-Oxley Act of 2002 requires us to document and test our internal controls over financial reporting and to report on our assessment as to the effectiveness of these controls. Any negative reports concerning our internal controls

could adversely affect our future results of operations and financial condition. We may discover areas of our internal controls that need improvement. We cannot be certain that any remedial measures we take will ensure appropriate implementation and maintenance of adequate internal controls over the financial reporting processes and reporting in the future. We may incur significant additional costs in order to ensure we adequately remediate any weaknesses identified in our internal control environment, which, in turn, would reduce our earnings. Implementing any remedial measures may be complicated by the limited timeframe in which to implement such measures, and the possibility that implementation of such measures may require a substantial amount of work and time by our personnel.

Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. If we are unable to conclude that we have effective internal controls over financial reporting, or if our independent registered public accounting firm is unable to provide us with an unqualified report regarding the effectiveness of our internal controls over financial reporting, investors could lose confidence in the reliability of our financial statements. Failure to comply with Section 404 of the Sarbanes-Oxley Act of 2002 could potentially subject us to sanctions or investigations by the SEC, or other regulatory authorities. In addition, failure to comply with our reporting obligations with the SEC may cause an event of default to occur under the Debt Agreements, or similar instruments governing any debt we or our subsidiaries incur in the future.

We could be adversely impacted by changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters. Generally accepted accounting principles and related accounting pronouncements, implementation guidelines, and interpretations with regard to a wide range of matters that are relevant to our businesses, including, but not limited to, revenue recognition, asset impairment, impairment of goodwill and other intangible assets, inventories, customer rebates and other customer consideration, tax matters, and litigation and other contingent liabilities are highly complex and involve many subjective assumptions, estimates, and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates, or judgments could significantly change our reported or expected financial performance or financial condition. New accounting guidance may also require systems and other changes that could increase our operating costs and/or change our financial statements. For example, implementing future accounting guidance related to revenue, accounting for leases and other areas could require us to make significant changes to our accounting systems, impact to existing Credit Agreements and could result in adverse changes to our financial statements.

Risks Related to our Indebtedness

In connection with the Acquisition, we incurred substantial debt obligations . Our total outstanding debt for borrowed money was approximately $3.25 billion on October 27, 2014. At December 31, 2017 , the remaining principal amount of indebtedness was $2.2 billion , gross of unamortized discounts and debt issuance costs. In addition, subject to restrictions in agreements governing our existing and future indebtedness, we may incur additional indebtedness. Our substantial level of indebtedness could have important consequences, including the following:

- We may experience difficulty in satisfying our obligations with respect to our existing indebtedness or future indebtedness;
- Our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- We plan to use a substantial portion of cash flow from operations to pay interest and principal on our indebtedness, which may reduce the funds available to ourselves for other purposes, such as acquisitions and capital expenditures;
- We may be at a competitive disadvantage with reduced flexibility in planning for, or responding to, changing conditions in the industry, including increased competition; and
- We may be more vulnerable to economic downturns and adverse developments in the business.

We expect to fund our expenses and to pay the principal and interest on our indebtedness from cash flow from operations. Our ability to meet our expenses and to pay principal and interest on our indebtedness when due depends on our future performance, which will be affected by financial, business, economic, and other factors. We will not be able to control many of these factors, such as economic conditions in the markets where we operate and pressure from competitors.

Despite our indebtedness, we may need to incur substantially more indebtedness and take other actions that could further exacerbate the risk associated with our existing indebtedness . At December 31, 2017 , the remaining principal amount of indebtedness was $2.2 billion , gross of unamortized discounts and debt issuance costs. In addition to our current financing activities, we may need to incur substantially more indebtedness in the future, resulting in higher leverage. Subject to the limits contained in our Debt Agreements, we may incur additional indebtedness from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. To the extent we incur additional indebtedness, the risks associated with our substantial indebtedness will be exacerbated.

Our use of derivative financial instruments to reduce interest rate risk may result in added volatility in our quarterly operating results . We do not hold or issue derivative financial instruments for trading purposes. However, we do utilize derivative financial instruments to reduce interest rate risk associated with our indebtedness. To manage variable interest rate risk, we entered into forward interest rate swap agreements, which will effectively convert a portion of our indebtedness into a fixed rate loan. Under generally accepted accounting principles, the fair values of the swap contracts, which will either be amounts receivable from or payable to counterparties, are reflected as either assets or liabilities on our Consolidated Balance Sheets. We record our fair value change in our Consolidated Statements of Operations, as a component of "Other, net" if not hedged. The associated impact on our quarterly operating results is directly related to changes in prevailing interest rates. If interest rates increase, we would have a non-cash gain on the swaps, and vice versa in the event of a decrease in interest rates. Consequently, these swap contracts introduce complexity to our operating results.

Restrictive covenants in the Debt Agreements may limit our current and future operations, particularly our ability to respond to changes in our business or to pursue our business strategies. The Debt Agreements contain, and instruments governing any future indebtedness may contain, a number of restrictive covenants that impose significant operating and financial restrictions, including restrictions on our ability to take actions that we believe may be in our interest. We expect these covenants will limit our ability to:

- incur additional indebtedness or guarantees;
- pay dividends or make other distributions or repurchase or redeem our stock or prepay or redeem certain indebtedness;
- sell or dispose of assets and issue capital stock of restricted subsidiaries;
- incur liens or enter into sale-leaseback transactions;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- enter into transactions with affiliates;
- engage in new lines of business;
- consolidate, merge or enter into other fundamental changes;
- make loans, investments and/or acquisitions; and
- enter into amendments or modifications of certain material subordinated debt agreements or organizational documents.

Additionally, the debt instruments entered into to fund a portion of the Acquisition requires us to maintain in certain circumstances compliance with a consolidated total secured net leverage ratio. Our ability to comply with this ratio may be affected by events beyond our control, and we cannot assure you that we will meet this ratio. The restrictions could adversely affect our ability to:

- finance operations;
- make needed capital expenditures;
- make strategic acquisitions or investments or enter into alliances;
- withstand a future downturn in our business or the economy in general;
- engage in business activities, including future opportunities, that may be in our interest; and
- plan for or react to market conditions or otherwise execute our business strategies.

A breach of any of the covenants contained in the Debt Agreements (including an inability to comply with the financial maintenance covenants) that is not remedied within the applicable cure period, if any, would result in an event of default under the Debt Agreements. If, when required, we are unable to repay or refinance our indebtedness or amend the covenants contained in the Debt Agreements, or if a default otherwise occurs that is not cured or waived, the lenders or holders of our debt could elect to declare all borrowings outstanding, together with accrued interest and other fees, to be immediately due and payable or institute foreclosure proceedings against those assets that secure the borrowings. Should the outstanding obligations be accelerated and become due and payable because of any failure to comply with the applicable covenants in the future, we would be required to search for alternative measures to finance current and ongoing obligations of our business. There can be no assurance that such financing will be available on acceptable terms, if at all. Any of these scenarios could adversely impact our liquidity, financial condition and results of operations.

A significant amount of cash will be required to service our indebtedness . Our ability to make payments on and to refinance our indebtedness and to fund working capital needs, general corporate expenditures and planned capital expenditures depends on our ability to generate a significant amount of cash. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory, and other factors that are beyond our control.

If our business does not generate sufficient cash flows from operations or if future borrowings are not available to us in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness on or before the maturity thereof, sell assets, reduce or delay capital investments, or seek to raise additional capital, any of which could have a material adverse effect on our operations. In addition, we may not be able to affect

any of these actions, if necessary, on commercially reasonable terms or at all. Our ability to restructure or refinance our indebtedness will depend on the condition of the capital and debt markets and our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict business operations. The terms of anticipated or future debt instruments may limit or prevent us from taking any of these actions. In addition, any failure to make scheduled payments of interest and/or principal on outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to access additional capital on commercially reasonable terms or at all. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on our business, financial condition and results of operations, as well as on our ability to satisfy the obligations in respect of our indebtedness.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Our corporate headquarters are located in Lincolnshire, Illinois; a northern suburb of Chicago. We also operate manufacturing, production and warehousing, administrative, research, and sales facilities in other U.S. and international locations.

As of December 31, 2017 , the Company owned three laboratory and warehouse facilities located in Holtsville, NY, Preston, UK, and Mississauga, Ontario, Canada. The Company leases seven facilities for the purposes of manufacturing, production, and warehousing; five of which are located in the U.S. and two are located in other countries.

As of December 31, 2017 , the Company had a total of 111 leased facilities with locations spread globally; 32 of which are located in the U.S. and 79 are located in 45 other countries.

We generally consider the productive capacity of the plants to be adequate and sufficient for our requirements. The extent of utilization of each manufacturing facility varies throughout the year.

Item 3. Legal Proceedings

See Note 10, *Contingencies* in the Notes to Consolidated Financial Statements included in this Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Stock Information: Price Range and Common Stock
Our Class A common stock is traded on the NASDAQ Stock Market, LLC under the symbol "ZBRA". The following table shows the high and low trade prices for each fiscal quarter in 2017 and 2016 , as reported by the NASDAQ Stock Market, LLC.

2017	High	Low	2016	High	Low
First Quarter	$ 93.61	$ 81.02	First Quarter	$ 70.30	$ 52.14
Second Quarter	109.30	86.82	Second Quarter	68.49	48.51
Third Quarter	109.89	94.78	Third Quarter	71.61	46.13
Fourth Quarter	117.44	101.49	Fourth Quarter	88.00	62.91

Source: The NASDAQ Stock Market, LLC

At February 15, 2018 , the last reported price for the Class A common stock was $120.54 per share, and there were 134 registered stockholders of record for Zebra's Class A common stock. In addition, we had approximately 29,049 stockholders who owned our stock in street name.

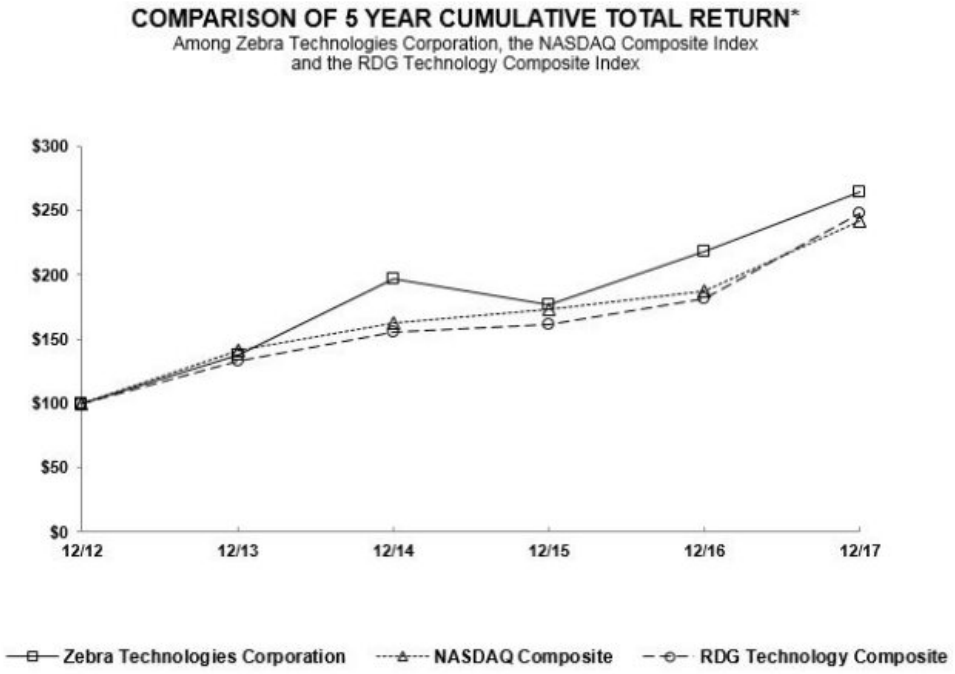
Dividend Policy
Since our initial public offering in 1991, we have not declared any cash dividends or distributions on our capital stock. We currently do not anticipate paying any cash dividends in the foreseeable future.

Treasury Shares
We did not purchase shares of Zebra Class A common stock during 2017 as part of the purchase plan program.

In November 2011, our Board authorized the purchase of up to 3,000,000 shares under the purchase plan program with a maximum of 665,475 shares remaining available for purchase. The November 2011 authorization does not have an expiration date.

Stock Performance Graph

This graph compares the cumulative annual change since December 31, 2012 , of the total stockholder return of Zebra Technologies Corporation Class A common stock with the cumulative return on the following published indices: (i) the RDG Technology Composite; and (ii) the NASDAQ Composite Market Index, during the same period. The comparison assumes that $100 was invested in each of the Company's Class A common stock, the stocks comprising the RDG Technology Composite and the stocks comprising the NASDAQ Composite Market Index on December 31, 2012 . The comparison assumes that all dividends were reinvested at the end of the month in which they were paid.



*$100 invested on 12/31/12 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

Item 6. Selected Financial Data

FIVE YEAR SUMMARY OF SELECTED CONSOLIDATED FINANCIAL DATA
(In millions, except shares and per share amounts)

	Year Ended December 31,				
Consolidated Statements of Operations [1]	**2017**	**2016**	**2015**	**2014**	**2013**
Total Net sales	$ 3,722	$ 3,574	$ 3,650	$ 1,671	$ 1,038
Gross profit	1,710	1,642	1,644	778	503
Net income (loss)	$ 17	$ (137)	$ (158)	$ 32	$ 134
Basic earnings (loss) per share	$ 0.33	$ (2.65)	$ (3.10)	$ 0.64	$ 2.65
Diluted earnings (loss) per share	$ 0.32	$ (2.65)	$ (3.10)	$ 0.63	$ 2.63
Weighted average shares outstanding:					
Basic	53,021,761	51,579,112	50,996,297	50,789,173	50,692,942
Diluted	53,688,832	51,579,112	50,996,297	51,379,698	51,063,189

	December 31,				
Consolidated Balance Sheets [1]	**2017**	**2016**	**2015**	**2014**	**2013**
Cash and cash equivalents, investments and marketable securities	$ 62	$ 156	$ 192	$ 418	$ 416
Total Assets	4,275	4,632	5,040	5,539	1,120
Long-term liabilities	2,441	2,891	3,252	3,346	15
Total Stockholders' Equity	834	792	893	1,040	959

(1) Includes the Enterprise business from its date of acquisition, October 27, 2014.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Company is a global leader respected for innovative EAI solutions in the automatic information and data capture solutions industry. We design, manufacture, and sell a broad range of products that capture and move data, including: mobile computers; barcode scanners and imagers; RFID readers; specialty printers for barcode labeling and personal identification; RTLS; related accessories and supplies, such as self-adhesive labels and other consumables; and software utilities and applications. We also provide a full range of services, including maintenance, technical support, and repair, managed and professional services, including cloud-based subscriptions. End-users of our products and services include those in the retail and e-commerce, transportation and logistics, manufacturing, healthcare, hospitality, warehouse and distribution, energy and utilities, government and education enterprises around the world. Benefits of our solutions include improved efficiency and workflow management, increased productivity and asset utilization, real-time, actionable enterprise information, and better customer experiences. We provide our products and services globally through a direct sales force and an extensive network of partners. We provide products and services in over 180 countries, with 114 facilities and approximately 7,000 employees worldwide.

Segments

The Company's operations consist of two reportable segments: Asset Intelligence & Tracking ("AIT") and Enterprise Visibility & Mobility ("EVM"). In January 2018, the Company changed the names of the reportable segments to better reflect business operations: (1) Asset Intelligence & Tracking ("AIT"), formerly Legacy Zebra, comprised of barcode and card printing, location solutions, supplies, and services; and (2) Enterprise Visibility & Mobility ("EVM"), formerly Enterprise, comprised of mobile computing, data capture, RFID, and services.

Asset Intelligence & Tracking

The AIT segment is an industry leader in barcode printing and asset tracking technologies. Its major product lines include barcode and card printers, supplies, services and location solutions. Industries served include retail and e-commerce, transportation and logistics, manufacturing, healthcare, and other end markets within the following regions: North America; Europe, Middle East, and Africa; Asia-Pacific; and Latin America.

Enterprise Visibility & Mobility

The EVM segment is an industry leader in automatic information and data capture solutions. Its major product lines include mobile computing, data capture, RFID, and services. Industries served include retail and e-commerce, transportation and logistics, manufacturing, healthcare, and other end markets within the following regions: North America; Europe, Middle East, and Africa; Asia-Pacific; and Latin America.

Geographic Information

For the year ended December 31, 2017 , the Company recorded $ 3.7 billion of net sales in its consolidated statements of operations, of which approximately 48.3% were attributable to North America; approximately 32.8% were attributable to Europe, Middle East, and Africa ("EMEA"); and other foreign locations accounted for the remaining 18.9% . Net sales attributable from each region are relatively consistent with the prior year period.

Acquisition and Integration

In October 2014, the Company acquired the Enterprise business ("Enterprise"), from Motorola Solutions, Inc. ("MSI") (the "Acquisition") and began integration activities focused on creating "One Zebra". Our integration priorities centered on maintaining business continuity while identifying and implementing cost synergies, operating efficiencies, and integration of functional organizations and processes. Another key focus of the integration was to exit MSI-provided transition service agreements ("TSAs") related primarily to IT systems and support services. These TSAs were an interim measure to continue the operations of the Enterprise business without disruption while integration activities were completed. The Company substantially completed its integration activities, including the implementation of a common enterprise resource planning system and has exited the last TSAs with MSI.

Restructuring Programs

In the first quarter 2017, the Company's executive leadership approved an initiative to continue the Company's efforts to increase operational efficiency (the "Productivity Plan"). The Company expects the Productivity Plan to build upon the exit and restructuring initiatives specific to the acquisition of the Enterprise business ("Enterprise") from Motorola Solutions, Inc. in October 2014, (the "Acquisition Plan"). Actions under the Productivity Plan include organizational design changes, process improvements and automation. Implementation of actions identified through the Productivity Plan is expected to be substantially complete by December 2018. Exit and restructuring costs are not included in the operating results of our segments as they are not deemed to impact the specific segment measures as reviewed by our Chief Operating Decision Maker and

therefore are reported as a component of Corporate, eliminations. See Note 15, *Segment Information and Geographic Data* in the Notes to Consolidated Financial Statements included in this Form 10-K for further information.

Total exit and restructuring charges of $12 million life-to-date and year-to-date specific to the Productivity Plan have been recorded through December 31, 2017 and relate to severance and related benefits, lease exit costs and other expenses. Total remaining charges associated with this plan are expected to be in the range of $8 million to $12 million with activities expected to be substantially complete by the end of fiscal 2018.

Total exit and restructuring charges of $69 million life-to-date specific to the Acquisition Plan have been recorded through December 31, 2017 and include severance and related benefits, lease exit costs and other expenses. Charges related to the Acquisition Plan for the twelve-month period ended December 31, 2017 and 2016, were $4 million and $19 million , respectively. The Company has substantially completed the activities associated with the Acquisition Plan.

See Note 5, *Costs Associated with Exit and Restructuring Activities* in the Notes to Consolidated Financial Statements included in this Form 10-K for further information.

Impact of U.S. Tax Reform

The Company is in the process of analyzing the impact of the Tax Cut and Jobs Act ("TCJA" or "the Act") signed into law on December 22, 2017 and has provisionally provided income tax expense of $72 million , including remeasurement of its net deferred tax assets at 21% of $35 million and the one-time transition tax of $37 million . The one-time transition tax impact has been reduced by approximately $10 million of income tax credit carryfowards, resulting in an estimated cash tax liability of $26 million , of which $2 million has been classified as a short term liability and $24 million as a long term liability, both to be remitted over the next eight years as follows (in millions):

	One-Time Transition Tax - Payments Due for Calendar Year Tax Returns							
	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Unremitted Earnings Payments	$ 2	$ 2	$ 2	$ 2	$ 2	$ 4	$ 5	$ 7

The Company expects that the greatest factor impacting its future effective tax rate is the federal reduction in the tax rate from 35% to 21% . Primarily due to uncertainties in the interpretation of the one-time transition tax rules and the determination of cash or other specified assets, the December 31, 2017 effective tax rate could differ materially from the amount disclosed in the financial statements. As permitted, the Company will update the estimates disclosed herein on a quarterly basis throughout 2018. See Note 12, *Income Taxes* in the Notes to Consolidated Financial Statements included in this Form 10-K for further information.

The Company has reviewed the impact of other provisions of the Act which took effect on January 1, 2018 and after. Based on current operations, we estimate that the Company will be subject to the Global Intangible Low-Taxed Income and the Deduction for Foreign-Derived Intangible Income provisions of the Act. We estimate that the new limitations which defer U.S. interest deductions in excess of 30% of Adjusted Taxable Income will not be applicable. Additionally, the Company will no longer be able to deduct compensation for its covered employees which exceeds the limitation under Internal Revenue Code Section 162(m).

Results of Operations: Year Ended 2017 versus 2016 and Year Ended 2016 versus 2015

Consolidated Results of Operations
(amounts in millions, except percentages)

	Year Ended December 31,			Percent Change 2017 vs 2016	Percent Change 2016 vs 2015
	2017	2016	2015		
Net sales	$ 3,722	$ 3,574	$ 3,650	4.1 %	(2.1)%
Gross profit	$ 1,710	$ 1,642	$ 1,644	4.1 %	(0.1)%
Operating expenses	1,388	1,562	1,607	(11.1)%	(2.8)%
Operating income	$ 322	$ 80	$ 37	302.5 %	116.2 %
Gross margin	45.9%	45.9%	45.0%		

Net sales to customers by geographic region were as follows (amounts in millions, except percentages):

	Year Ended December 31,			Percent Change 2017 vs 2016	Percent Change 2016 vs 2015
	2017	2016	2015		
Europe, Middle East, and Africa	$ 1,221	$ 1,138	$ 1,194	7.3 %	(4.7)%
Latin America	235	214	219	9.8 %	(2.3)%
Asia-Pacific	468	483	463	(3.1)%	4.3 %
Total International	1,924	1,835	1,876	4.9 %	(2.2)%
North America	1,798	1,739	1,774	3.4 %	(2.0)%
Total Net sales	$ 3,722	$ 3,574	$ 3,650	4.1 %	(2.1)%

Operating expenses are summarized below (amounts in millions, except percentages):

	Year Ended December 31,			Percent Change 2017 vs 2016	Percent Change 2016 vs 2015
	2017	2016	2015		
Selling and marketing	$ 448	$ 444	$ 494	0.9 %	(10.1)%
Research and development	389	376	394	3.5 %	(4.6)%
General and administrative	301	307	283	(2.0)%	8.5 %
Amortization of intangible assets	184	229	251	(19.7)%	(8.8)%
Acquisition and integration costs	50	125	145	(60.0)%	(13.8)%
Impairment of goodwill and other intangibles	—	62	—	(100.0)%	NMF
Exit and restructuring costs	16	19	40	(15.8)%	(52.5)%
Total Operating expenses	$ 1,388	$ 1,562	$ 1,607	(11.1)%	(2.8)%

Consolidated Organic Net sales growth:

	December 31,	
	2017	2016
Reported GAAP Consolidated Net sales growth	4.1 %	(2.1)%
Adjustments:		
Impact of Wireless LAN Net sales [1]	3.2 %	1.4 %
Impact of foreign currency translation [2]	(0.6)%	1.3 %
Corporate, eliminations [3]	(0.2)%	(0.2)%
Consolidated Organic Net sales growth	**6.5 %**	**0.4 %**

(1) The Company sold the wireless LAN business in October 2016. The Company excludes the impact of the net sales of this business in the prior year period when computing organic net sales growth.
(2) Operating results reported in U.S. dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. dollar. This impact is calculated by translating, for certain currencies, the current period results at the currency exchange rates used in the comparable prior year period, rather than the exchange rates in effect during the current period. In addition, we exclude the impact of the company's foreign currency hedging program in both the current and prior year periods.
(3) Amounts included in Corporate, eliminations consist of purchase accounting adjustments not reported in segments related to the Acquisition.

2017 compared to 2016

Net sales increased by $148 million or 4.1% compared with the prior year period. The increase in net sales was due to higher hardware sales in North America, EMEA, and Latin America, offset by lower hardware sales in Asia-Pacific. The increase in hardware sales was largely attributable to increased sales of mobile computing, data capture, and barcode printing products, partially offset by the impact of the divestiture of the wireless LAN business in October 2016. Services sales were lower primarily due to the impact of the wireless LAN divestiture. Consolidated Organic Net sales growth was 6.5% , reflecting growth in all four geographic regions, most notably in EMEA and North America, and Latin America.

Gross margin as a percent of sales was 45.9% , or flat compared to the prior year. This reflects an increase in gross margin in the EVM segment primarily due to changes in business mix and improved product costs, offset by lower AIT segment gross margin driven primarily by higher overhead and services costs, and increased customer sales incentives.

Operating expenses for the year ended December 31, 2017 and 2016, were $1.4 billion , or 37.3% of net sales and $1.6 billion or 43.7% of net sales, respectively. The reduction in operating expenses was primarily due to impairment charges related to the disposal of the Company's wireless LAN business in the prior year period, lower acquisition and integration costs, and lower amortization of intangible assets. During 2017, the Company substantially completed its integration activities, including the implementation of a common enterprise resource planning system, associated with the Acquisition. The Company also exited the transition services agreements with Motorola Solutions. The decrease in amortization of intangible assets was due to certain assets reaching full amortization in 2017. Exit and restructuring costs were also lower than the year-ago period due to the prior year charges that included costs associated with the divestiture of the wireless LAN business. Research and development costs were higher primarily due to increased incentive compensation expense associated with improved financial performance partially offset by the impact of the divestiture of the wireless LAN business. General and administrative expenses were lower compared to the prior year period due primarily to reduced facility and IT expenses, professional fees, and employee benefits costs, as well as the impact of the divestiture of the wireless LAN business being offset partially by increased incentive compensation expense associated with improved financial performance.

Operating income increased $ 242 million compared to the prior year. The increase was due to the decline in operating expenses as well as the increase in sales and gross profit.

Interest expense was $227 million for the year ended December 31, 2017 compared to $193 million in the prior year. The increase over the prior year was driven by the payments for early debt extinguishment of $65 million and accelerated amortization of debt issuance costs related to the redemption of Senior Notes of $16 million offset, in part, by the impact of early repayments of debt and lower interest rates.

Other non-operating expenses decreased $5 million to $6 million for the year ended December 31, 2017. This decrease is driven by long-term investment impairments of $1 million in the current year compared to $7 million in the prior year.

The Company recognized tax expense of $71 million and $8 million for the period ending December 31, 2017 and 2016, respectively. The Company's effective tax rates were 80.7% and (6.2)% as of December 31, 2017 and 2016, respectively. The Company's effective tax rate was higher than the federal statutory rate of 35% primarily due to deferred income taxed on the outbound transfer of U.S. assets, an increase in uncertain tax benefits, increased valuation allowance for its foreign deferred tax assets, foreign non-deductible expenses, the one-time transition tax and remeasurement of its net U.S. deferred tax assets under U.S. tax reform. These increases were partially offset by the benefit of lower tax rates in foreign jurisdictions, recognition of deferred tax assets on intercompany asset transfers, the generation of tax credits in the current year, and deductions from vesting of equity compensation.

2016 compared to 2015

Net sales decreased by $76 million or 2.1% compared with the prior year period. The decline in net sales is due to lower hardware sales in North America, EMEA, and Latin America, including the unfavorable impact of foreign currency changes, partially offset by higher hardware sales in Asia-Pacific. The decline in hardware sales is largely attributable to lower sales of barcode printer, data capture, wireless LAN products, and location solutions. Organic net sales increased 0.4% compared to the prior year period, reflecting growth in Asia-Pacific and North America, offset by declines in EMEA, and Latin America.

Gross margin as a percent of sales was 45.9% compared to the prior year period of 45.0% . This improvement in gross margin reflects an increase in the EVM segment gross margin primarily due to lower services and hardware product costs. AIT segment gross margin decreased primarily due to lower sales demand and the impact of incentive programs, including the concessions to distributors of printer products imported into China, partially offset by product cost improvements.

Operating expenses for the year ended December 31, 2016 and 2015, were $1.6 billion , or 43.7% and 44.0% of net sales, respectively. The reduction in operating expenses as a percentage of net sales reflects the Company's continued focus on improving operating efficiency and controlling expenses. Selling and marketing expenses were lower compared to the prior year due to the full-year impact of staff reductions implemented in 2015 and lower discretionary expenses and promotional spending. The decrease in research and development costs was primarily due to a reduction in headcount and other third-party resources, the impact from the divestiture of the wireless LAN business, and shifting of headcount to lower cost engineering locations. The increase in general and administrative costs was primarily due to higher IT related expenses, including increased support and maintenance costs for IT infrastructure and business systems as we exit transition services agreements with Motorola Solutions, and increased legal fees and litigation related expenses. The decrease in amortization of intangibles was due to impairment charges taken in the current year along with other intangible assets becoming fully amortized. Impairment of goodwill and other intangibles of $62 million was recorded during the third quarter related to the wireless LAN business divestiture. The Company has made significant progress on its integration activities associated with the Acquisition, including exiting many transition services agreements with Motorola Solutions. This has resulted in a decline in acquisition and integration costs compared to the prior year period. Exit and restructuring costs were lower due to a reduced level of restructuring activity as the Company progresses with its restructuring plan related to the Acquisition, partially offset by expenses associated with the Company's divestiture of its wireless LAN business.

Operating income increased $43 million or 116.2% compared to the prior year. The increase was primarily due to the decline in operating expenses.

The Company conducts business in multiple currencies throughout the world, thus has exposure to movements in foreign exchange rates with regard to non-functional denominated revenue, cash assets, and cash liabilities. As a result of these exposures, the Company recognized a foreign exchange loss of $5 million for 2016.

Interest expense was $ 193 million for the year ended December 31, 2016, flat compared to the prior year. Early repayments of debt resulted in accelerated amortization costs while debt refinancing savings were offset by closing costs of the refinancing.

Other non-operating expenses increased $10 million to $11 million for the year ended December 31, 2016. This increase is driven by long-term investment impairments of $7 million and an increase in accelerated loan discount amortization of $3 million due to the debt refinancing. See Note 8, *Long-Term Debt* for further information on the debt refinancing amendments.

In the period ending December 31, 2016, the Company recognized tax expense of $8 million compared to a tax benefit of $ 22 million for 2015. The Company's effective tax rates were (6.2)% and 12.2% as of December 31, 2016 and December 31, 2015, respectively. The Company's effective tax rate was lower than the federal statutory rate of 35% primarily due to deferred income taxed on the outbound transfer of U.S. assets, pre-tax losses in the United States, and the rate differential between U.S. and foreign jurisdictions.

Results of Operations by Segment

The following commentary should be read in conjunction with the financial results of each operating business segment as detailed in Note 15, *Segment Information and Geographic Data* in the Notes to the Consolidated Financial Statements included in this Form 10-K. The segment results exclude purchase accounting adjustments, amortization of intangible assets, acquisition and integration costs, impairment of goodwill and intangibles, and exit and restructuring costs.

Asset Intelligence & Tracking Segment ("AIT")

(amounts in millions, except percentages)

	Year Ended December 31,			Percent Change 2017 vs 2016	Percent Change 2016 vs 2015
	2017	2016	2015		
Net sales	$ 1,311	$ 1,247	$ 1,286	5.1%	(3.0)%
Gross profit	$ 640	$ 620	$ 654	3.2%	(5.2)%
Operating expenses	380	380	396	—%	(3.9)%
Operating income	$ 260	$ 240	$ 258	8.3%	(7.0)%
Gross margin	48.8%	49.7%	50.9%		

AIT Organic Net sales growth:

	December 31,	
	2017	2016
AIT Reported GAAP Net sales growth	5.1 %	(3.0)%
Adjustments:		
Impact of foreign currency translations [1]	(0.5)%	1.8 %
AIT Organic Net sales growth	**4.6 %**	**(1.2)%**

(1) Operating results reported in U.S. dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. dollar. This impact is calculated by translating, for certain currencies, the current period results at the currency exchange rates used in the comparable prior year period, rather than the exchange rates in effect during the current period. In addition, we exclude the impact of the company's foreign currency hedging program in both the current and prior year periods.

2017 compared to 2016

AIT net sales for the period ending December 31, 2017 increased $ 64 million or 5.1% compared to prior year period. The increase in net sales was largely driven by higher sales of barcode and card printers, primarily in the EMEA and Asia-Pacific regions. Sales of supplies and services were also higher than the prior year. The year-on-year growth also reflects a price concession to distributors of barcode printer products imported into China in the third quarter of 2016. During 2017, no additional price concession provisions were required and a reduction of the 2016 provision was recorded due to a change in import classification for barcode printers. AIT organic Net sales growth for the year-ended December 31, 2017 was 4.6% .

Gross margin as a percentage of sales was 48.8% compared to 49.7% for comparable prior year period. The decrease in gross margin reflects higher overhead costs, including freight and costs associated with our regional distribution center transitions, higher services costs and increased customer sales incentives offset partially by lower provisions for price concessions to distributors of barcode printer products imported into China.

Operating income increased 8.3% as a result of increased net sales and gross profit. Operating expenses were comparable to the prior year period.

2016 compared to 2015

AIT net sales for the period ending December 31, 2016 decreased $39 million or 3.0% compared to prior year period. The decline in net sales was primarily due to lower net sales of barcode printers and location solutions, and the unfavorable impact of foreign currency changes, most notably in EMEA which was partially offset by an increase in sales of supplies. The barcode printer sales decline was primarily due to lower sales in North America and EMEA. AIT organic net sales declined compared to the prior year period by 1.2% .

Gross margin as a percentage of sales was 49.7% compared to 50.9% for comparable prior year period. The decrease in gross margin included impacts from lower sales of barcode printers, the impact of incentive programs, including the concession to distributors of printer products imported into China, costs associated with the relocation of North American distribution operations, and the unfavorable impact of foreign currency changes. These factors were partially offset by manufacturing cost improvements in supplies and lower hardware product costs.

Operating income declined 7.0% as a result of lower net sales and gross profit, partially offset by lower operating expenses.

Enterprise Visibility & Mobility Segment ("EVM")
(amounts in millions, except percentages)

	Year Ended December 31,			Percent	Percent
	2017	2016	2015	Change 2017 vs 2016	Change 2016 vs 2015
Net sales	$ 2,414	$ 2,337	$ 2,380	3.3%	(1.8)%
Gross profit	$ 1,073	$ 1,032	$ 1,010	4.0%	2.2 %
Operating expenses	758	746	774	1.6%	(3.6)%
Operating income	$ 315	$ 286	$ 236	10.1%	21.2 %
Gross margin	44.4%	44.2%	42.4%		

EVM Organic Net sales growth:

	December 31,	
	2017	2016
EVM Reported GAAP Net sales growth	3.3 %	(1.8)%
Adjustments:		
Impact of Wireless LAN Net sales [1]	4.9 %	2.2 %
Impact of foreign currency translation [2]	(0.7)%	0.9 %
EVM Organic Net sales growth	**7.5 %**	**1.3 %**

(1) The Company sold the wireless LAN business in October 2016 and excludes the net sales of this business in the prior year period when computing organic net sales growth.

(2) Operating results reported in U.S. dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. dollar. This impact is calculated by translating, for certain currencies, the current period results at the currency exchange rates used in the comparable prior year period, rather than the exchange rates in effect during the current period. In addition, the Company excludes the impact of it's foreign currency hedging program in both the current and prior year periods.

2017 compared to 2016
EVM net sales for the period ending December 31, 2017 increased $ 77 million or 3.3% compared to prior year period. The increase in net sales was driven by higher sales of mobile computing and data capture products, primarily in the North America and EMEA regions, partially offset by impact of the divestiture of the wireless LAN business in October 2016. EVM organic net sales growth for the year-ended December 31, 2017 was 7.5%.

Gross margin for the year ended December 31, 2017 was 44.4% compared to 44.2% in the prior year period. The increase in gross margin primarily reflects changes in business mix and improvements in hardware product costs.

Operating income increased 10.1% primarily as a result of higher sales and gross profit, partially offset by an increase in operating expenses.

2016 compared to 2015
EVM net sales for the period ending December 31, 2016 decreased $43 million or 1.8% compared to prior year period. The decline in net sales was primarily driven by lower sales of wireless LAN and data capture products and the unfavorable impact of foreign currency changes in EMEA, partially offset by higher sales of mobile computing products. EVM organic net sales increased compared to the prior year period by 1.3% .

Gross profit margin for the year ended December 31, 2016 was 44.2% compared to 42.4% in the prior year period. The improvement in gross margin was due primarily to lower service and hardware product costs, including lower excess and obsolescence expense. The prior year costs also included higher product rebranding expenses. This improvement was partially offset by product mix and the unfavorable impact of foreign currency changes.

Operating income increased 21.2% primarily as a result of higher gross profit and lower operating expenses, partially offset by lower sales.

Critical Accounting Policies and Estimates
Management prepared the consolidated financial statements of the Company under accounting principles generally accepted in the United States of America. These principles require the use of estimates, judgments, and assumptions. We believe that the estimates, judgments, and assumptions we used are reasonable based upon the information available at that time. Our estimates and assumptions affect the reported amounts in our consolidated financial statements. See Note 2, *Summary of Significant Accounting Policies* in the Notes to Consolidated Financial Statements included in this Form 10-K.

Recently Issued Accounting Pronouncements
See Note 2, *Summary of Significant Accounting Policies* in the Notes to Consolidated Financial Statements included in this Form 10-K.

Liquidity and Capital Resources
The primary factors that influence our liquidity include, but are not limited to, the amount and timing of our revenues, cash collections from our customers, capital expenditures, repatriation of foreign cash and investments, and acquisitions of third-parties. Management believes that our existing capital resources and funds generated from operations are sufficient to meet anticipated capital requirements and service our indebtedness. The following table summarizes our cash flow activities for the years indicated (in millions):

	Year Ended December 31,		
	2017	2016	2015
Cash flow (used in) provided by:			
Operating activities	$ 478	$ 380	$ 122
Investing activities	(51)	(39)	(148)
Financing activities	(517)	(384)	(161)
Effect of exchange rates on cash balances	(4)	7	(15)
Net decrease in cash and cash equivalents	$ (94)	$ (36)	$ (202)

The change in our cash and cash equivalents balance is reflective of the following:

2017 vs. 2016
Cash flows from operations increased $98 million during 2017 to $478 million . This improvement was driven by an increase in net earnings of $154 million , partially offset by a decline in working capital primarily related to higher inventory levels and lower accounts payable. Net inventory increased primarily as a result of growth in the business and changes in product mix, an increased backlog level compared to the prior year, and our recent transition to a new distribution model for our European operations. In addition, the prior year working capital benefited from the successful renegotiation of longer payment terms with vendors.

Net cash used in the purchase of property, plant and equipment declined $27 million as compared to the prior year, as capital expenditures related to the Acquisition integration were substantially completed in 2016. The prior year investing activities also included net cash proceeds of $39 million related to the sale of the wireless LAN business.

Net cash used in financing activities during 2017 consisted of proceeds related to the A&R Credit agreement for Term Loan A of $688 million , a draw on the Revolving Credit Facility of $275 million , and proceeds related to the receivables financing facility of $145 million . These proceeds were primarily used to redeem $1.1 billion in principal of the 7.25% Senior Notes, maturing October 2022. The Company also had debt principal prepayments on Term Loan A and Term Loan B of $502 million and on the receivables financing facility of $10 million . As part of the repricing of Term Loan B, a portion of the debt was deemed to be modified and therefore, the Company included $263 million in proceeds from the issuance of long-term debt, offset by $263 million in payments of long-term debt within the Consolidated Statements of Cash Flows.

2016 vs. 2015
Cash flows from operations increased $258 million during 2016 to $380 million. This improvement was driven by lower net losses of $21 million, which included significant non-cash drivers of a lower deferred income tax benefit of $98 million and asset impairment for goodwill, intangibles and other assets of $69 million, primarily related to the wireless LAN business divestiture. Additionally, the Company had improved working capital related items of $90 million during 2016. Working capital

related improvements consisted primarily of accounts payable increases due to the Company successfully renegotiating longer payment terms with vendors being partially offset by an increase in income tax cash outflows.

Net cash used in investing activities during 2016 included capital expenditures of $77 million compared to $122 million in 2015. The decrease consisted primarily of a reduction in integration and real estate related capital expenditures. This was offset somewhat by the sale of the wireless LAN business resulting in net cash received of $39 million.

Net cash used in financing activities during 2016 consisted primarily of early debt principal repayments of $382 million under the Term Loan compared to early debt principal repayments of $165 million in the comparable prior year period. Resulting from the debt refinancing amendments entered into during fiscal 2016, the Company recognized $102 million of proceeds from the issuance of long-term debt, offset by $102 million in payments of long-term debt within the Consolidated Statements of Cash Flows. Additionally, proceeds received from the exercise of stock options and employee stock purchase plan purchases ("ESPP") were $11 million in 2016 compared to $17 million in 2015 reflecting decreased option exercises and stock purchase plan purchases. The taxes paid related to the net share settlement of equity awards were $8 million in 2016 compared to $13 million in 2015 reflecting decreased stock exercises.

See Note 8, *Long-Term Debt* in the Notes to the Consolidated Financial Statements included in this Form 10-K for further details.

The following table shows the carrying value of the Company's debt (in millions):

	December 31,	
	2017	**2016**
Senior Notes	$ —	$ 1,050
Term Loan B	1,160	1,653
Term Loan A	679	—
Revolving Credit Facility	275	—
Receivables Financing Facility	135	—
Total debt	2,249	2,703
Less: Debt issuance costs	(7)	(22)
Less: Unamortized discounts	(15)	(33)
Less: Current portion of long-term debt	(51)	—
Total long-term debt	$ 2,176	$ 2,648

Credit Facilities
On July 26, 2017, the Company entered into the A&R Credit Agreement, which amended, modified and added provisions to the Company's previous credit agreement. The A&R Credit Agreement provides for a Term Loan A of $688 million and increased the existing Revolving Credit Facility from $250 million to $500 million . The Company incurred and capitalized debt issuance costs of $5 million related to Term Loan A and the increased Revolving Credit Facility under the A&R Credit Agreement.

In addition, as part of the A&R Credit Agreement, the Company partially paid down and repriced its Term Loan B. The A&R Credit Agreement also lowered the index rate spread for LIBOR loan from LIBOR + 250 bp to LIBOR + 200 bp for its Term Loan B.

In accounting for the early termination and repricing of Term Loan B, the Company applied the provisions of ASC 470-50, *Modifications and Extinguishments* ("ASC 470-50"). The evaluation of the accounting under ASC 470-50 was done on a creditor by creditor basis in order to determine if the terms of the debt were substantially different and, as a result, whether to apply modification or extinguishment accounting. The Company determined that the terms of the debt were not substantially different for approximately 80.4% of the lenders, and applied modification accounting. For the remaining 19.6% of the lenders, extinguishment accounting was applied. Certain lenders elected not to participate in the debt repricing, which resulted in a debt principal prepayment of $75 million of the Company's outstanding debt balance. The debt repricing transaction also resulted in one-time pre-tax charges including third-party fees for arranger, legal and other services and accelerated discount and amortization of debt issuance costs on the debt principal prepayment of approximately $6 million . These costs are reflected as non-operating expenses in Other, net on the Company's Consolidated Statements of Operations.

As of December 31, 2017 , the Term Loan A interest rate was 3.35% , and the Term Loan B interest rate was 3.37% . Borrowings under the Term Loan B, as amended, bear interest at a variable rate subject to a floor of 2.75% . The facility allows for interest payments payable monthly or quarterly on Term Loan A and quarterly on Term Loan B. The Company has entered into interest

rate swaps to manage interest rate risk on its long-term debt on Term Loan B. See Note 7, *Derivative Instruments* in the Notes to the Consolidated Financial Statements included in this Form 10-K.

The A&R Credit Agreement also requires the Company to prepay certain amounts in the event of certain circumstances or transactions, as defined in the A&R Credit Agreement. The Company may make prepayments against the Term Loans, in whole or in part, without premium or penalty. Under Term Loan A, the Company made debt principal prepayments of $9 million during the year ended December 31, 2017 . Under Term Loan B, the Company made debt principal prepayments of $493 million during the year ended December 31, 2017 . The Term Loan A, unless amended, modified, or extended, will mature on July 27, 2021 (the "Term Loan A Maturity Date"). The Term Loan B, unless amended, modified, or extended, will mature on October 27, 2021 (the "Term Loan B Maturity Date"). To the extent not previously paid, the Term Loans are due and payable on, respectively, the Term Loan A Maturity Date and Term Loan B Maturity Date. At such time, the Company will be required to repay all outstanding principal, accrued and unpaid interest and other charges in accordance with the A&R Credit Agreement. Assuming the Company makes no further optional debt principal prepayments on Term Loan A, the outstanding principal as of the Term Loan A Maturity Date will be approximately $498 million . Assuming the Company makes no further optional debt principal prepayments on the Term Loan B, the outstanding principal as of the Term Loan B Maturity Date will be approximately $1.2 billion .

The Revolving Credit Facility is available for working capital and other general corporate purposes including letters of credit. The amount (including letters of credit) cannot exceed $500 million . As of December 31, 2017 , the Company had letters of credit totaling $5 million , which reduced funds available for other borrowings under the Revolving Credit Facility to $495 million . The Revolving Credit Facility will mature and the related commitments will terminate on July 27, 2021.

Borrowings under the Revolving Credit Facility bear interest at a variable rate plus an applicable margin. As of December 31, 2017 , the Revolving Credit Facility had an average interest rate of 3.39% . The facility allows for interest payments payable monthly or quarterly. As of December 31, 2017 , the Company had borrowings of $275 million against the Revolving Credit Facility. There were no borrowings against the Revolving Credit Facility in the prior year comparable period.

Senior Notes

During fiscal 2017, the Company used proceeds from Term Loan A, the Revolving Credit Facility and the receivables financing facility to redeem $1.1 billion in outstanding principal of the 7.25% Senior Notes (the "Senior Notes"), maturing October 2022. In accounting for the early termination of Senior Notes, the Company applied the provisions of ASC 470-50, *Modifications and Extinguishments* ("ASC 470-50"). Based on the terms of the debt, the Company concluded extinguishment accounting was appropriate to apply. The Company recognized a $65 million make whole premium, which was recorded as Interest expense, net on the Company's Consolidated Statements of Operations. The Company also recognized accelerated debt issuance costs of $16 million which were recorded as Interest expense, net on the Company's Consolidated Statements of Operations.

Receivables Financing Facility

On December 1, 2017, a wholly-owned, bankruptcy-remote, special-purpose entity ("SPE") of the Company entered into the Receivables Purchase Agreement, which provides for a receivables financing facility of up to $180 million . The SPE utilizes the receivables financing facility in the normal course of business as part of its management of cash flows. Under its committed receivables financing facility, a subsidiary of the Company sells its domestically originated accounts receivables at fair value, on a revolving basis, to the SPE which was formed for the sole purpose of buying the receivables. The SPE, in turn, pledges a valid and perfected first-priority security interest in the pool of purchased receivables to a financial institution for borrowing purposes. The subsidiary retains an ownership interest in the pool of receivables that are sold to the SPE and services those receivables. Accordingly, the Company has determined that these transactions do not qualify for sale accounting under ASC 860, *Transfers and Servicing of Financial Assets* , and has, therefore, accounted for the transactions as secured borrowings.

At December 31, 2017 , the Company's Consolidated Balance Sheets included $421 million of receivables that were pledged and $135 million of associated liabilities. The SPE borrowed $145 million on the receivables financing facility and repaid $10 million in 2017. In 2017, the Company recorded expenses related to its receivables financing facility of $1 million as Interest expense, net on the Company's Consolidated Statements of Operations. The receivables financing facility will mature on November 29, 2019.

Borrowings under the receivables financing facility bear interest at a variable rate plus an applicable margin. As of December 31, 2017 , the receivables financing facility had an average interest rate of 2.35% and requires monthly interest payments.

Both the Revolving Credit Facility and receivables financing facility include terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels.

From January 1, 2018 through February 22, 2018, the Company made principal debt repayments of $63 million .

The company was in compliance with all covenants as of December 31, 2017 and is currently not aware of any events that would cause non-compliance with any covenants in the future.

Summary of fiscal 2017 actions
The actions taken during fiscal 2017 resulted in net repayments of $454 million and included the following:

- Term Loan A borrowings of $688 million ,
- Term Loan A debt principal payments of $9 million ,
- Revolving Credit Facility borrowings of $275 million ,
- Senior Note debt principal prepayments of $1.05 billion ,
- Term Loan B debt principal prepayments of $493 million ,
- Receivables financing facility borrowings of $145 million , and
- Receivables financing facility payments of $10 million .

Historically, significant portions of our cash inflows were generated by our operations. We currently expect this trend to continue throughout 2018 . We believe that our existing cash and investments, borrowings available under our Revolving Credit Facility and receivables financing facility, together with cash flows expected from operations will be sufficient to meet expected operating, capital expenditure and debt obligation requirements for the next 12 months.

Certain domestic subsidiaries of the Company (the “Guarantor Subsidiaries”) guarantee the Term Loans and the Revolving Credit Facility on a senior basis: For the period ended December 31, 2017 , the non-Guarantor Subsidiaries would have (a) accounted for 57.3% of our total revenue and (b) held 86.9% or $4.3 billion of our total assets and approximately 87.6% or $3.0 billion of our total liabilities including trade payables but excluding intercompany liabilities.

As of December 31, 2017 , the Company’s cash position of $62 million included foreign cash and investments of $54 million .

Management believes that existing capital resources and funds generated from operations are sufficient to finance anticipated capital requirements.

Contractual Obligations
Zebra’s contractual obligations as of December 31, 2017 were (in millions):

	Payments due by period				
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Operating lease obligations	$ 138	$ 32	$ 47	$ 23	$ 36
Deferred compensation liability	15	—	—	—	15
Long-term debt – principal payments	2,249	51	230	1,968	—
Interest payments	286	80	153	53	—
Payments on interest rate swaps	46	8	24	14	—
Purchase obligations	357	357	—	—	—
Total	$ 3,091	$ 528	$ 454	$ 2,058	$ 51

Purchase obligations are for purchases made in the normal course of business to meet operational requirements, primarily raw materials and finished goods.

Uncertain tax benefits of $51 million have been excluded from the above table. $20 million is a current liability as of December 31, 2017. The remainder is classified as long-term in nature as we cannot make a reasonably reliable estimate of the period of cash settlement with the respective taxing authority. See Note 12, *Income Taxes* in the Notes to Consolidated Financial Statements included in this Form 10-K for further information.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the sensitivity of income to changes in interest rates, commodity prices, and foreign currency changes. Zebra is exposed to the following types of market risk: interest rates and foreign currency.

Interest Rate Risk
We are exposed to interest rate volatility with regard to existing debt issuances. Primary exposures include LIBOR rates. From time to time, we use interest rate derivative contracts including interest rate swaps to hedge our exposure to the impact of interest rate changes on existing debt and future debt issuances to reduce the volatility of our financing costs and, based on current and projected market conditions, achieve a desired proportion of fixed versus floating-rate debt. Generally, under these swaps, we agree with a counterparty to exchange floating-rate for fixed-rate interest amounts with an agreed upon notional principal amount.

As of December 31, 2017 , we had $2.2 billion of debt outstanding under our debt facilities, which bears interest determined by reference to a variable rate index. A one percentage point increase or decrease in interest rates on the various debt instruments we hold would increase or decrease the annual interest expense we recognize and the cash we pay for interest expense by approximately $22 million . This amount excludes the impact of any associated derivative contracts. To mitigate this risk, we entered into forward interest rate swaps to hedge the interest rate risk associated with the variable interest payments on our debt facilities. Refer to Note 7, *Derivative Instruments* in the Notes to Consolidated Financial Statements included in this Form 10-K for further discussion of hedging activities.

Foreign Exchange Risk
We provide products and services in over 180 countries throughout the world and, therefore, at times are exposed to risk based on movements in foreign exchange rates. On occasion, we invoice customers in their local currency and have a resulting foreign currency denominated revenue transaction and accounts receivable. We also purchase certain raw materials and other items in foreign currencies. We manage these risks using derivative financial instruments. See Note 7, *Derivative Instruments* in the Notes to the Consolidated Financial Statements included in this Form 10-K for further discussions of hedging activities.

We are exposed to fluctuations in foreign currency exchange rates, primarily with respect to the Euro, British Pound Sterling, Czech koruna, Brazilian real, Canadian dollar, Australian dollar, Singapore dollar, Japanese yen, and Swedish krona. In general, we are a net receiver of foreign currencies and therefore benefit from a weakening of the U.S. dollar and are adversely affected by a strengthening of the U.S. dollar. A 1% increase or decrease in exchange rates relative to the U.S. dollar would increase or decrease our pre-tax income by approximately $2 million . This amount excludes the impact of any associated derivative contracts, which would largely offset this foreign exchange exposure. We enter into foreign currency forward contracts to hedge against the effect of exchange rate fluctuations on the Consolidated Balance Sheets of certain entities with exposures denominated in foreign currencies. These transactions are typically three months in maturity and are not designated as hedges.

Item 8. Financial Statements and Supplementary Data

The financial statements and schedules of Zebra are annexed to this report as pages F-2 through F-37. An index to such materials appears on page F-1.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

Not applicable.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures
We conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this Form 10-K. The evaluation was conducted under the supervision of our Disclosure Committee, and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to provide reasonable assurance that (i) the information required to be disclosed by us in this Form 10-K was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (ii) information required to be disclosed by us in our reports that we file or furnish under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting
Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2017. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework as released in 2013. Based on this assessment and those criteria, our management believes that, as of December 31, 2017, our internal control over financial reporting is effective.

Our independent registered public accounting firm, Ernst & Young LLP, has issued an attestation report on Zebra's internal control over financial reporting. Ernst & Young LLP's report is included on page 37 of this report on Form 10-K.

Changes in Internal Control over Financial Reporting
There were no changes in the Company's internal control over financial reporting during the fourth quarter of 2017, which were identified in connection with management's evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Inherent Limitations on the Effectiveness of Controls
Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within Zebra have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Zebra Technologies Corporation

Opinion on Internal Control over Financial Reporting

We have audited Zebra Technologies Corporation's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Zebra Technologies Corporation (the "Company") maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Zebra Technologies Corporation as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2017, and the related notes and financial statement schedule listed in Index Item 15 and our report dated February 22, 2018 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/Ernst & Young LLP

Chicago, Illinois

February 22, 2018

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We have adopted a Code of Ethics for Senior Financial Officers that applies to Zebra's Chief Executive Officer, Chief Financial Officer and the Chief Accounting Officer. The Code of Ethics is posted on the Investor Relations – Corporate Governance page of Zebra's Internet web site, www.zebra.com, and is available for download. Any waiver from the Code of Ethics and any amendment to the Code of Ethics will be disclosed on such page of Zebra's web site

All other information in response to this item is incorporated by reference from the Proxy Statement sections entitled "Corporate Governance," "Election of Directors," "Board and Committees of the Board," "Executive Officers," and "Section 16(a) Beneficial Ownership Reporting Compliance."

Item 11. Executive Compensation

The information in response to this item is incorporated by reference from the Proxy Statement sections entitled "Compensation Discussion and Analysis-Executive Summary," "Compensation Discussion and Analysis," "Executive Compensation," "Director Compensation," "Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report."

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information in response to this item is incorporated by reference from the Proxy Statement sections entitled "Ownership of our Common Stock" and "Equity Compensation Plan Information."

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information in response to this item is incorporated by reference from the Proxy Statement section entitled "Corporate Governance."

Item 14. Principal Accounting Fees and Services

The information in response to this item is incorporated by reference from the Proxy Statement section entitled "Fees of Independent Auditors."

PART IV

Item 15. Exhibits, Financial Statements and Schedule

The financial statements and schedule filed as part of this report are listed in the accompanying Index to Financial Statements and Schedule. The exhibits filed as a part of this report are listed in the accompanying Index to Exhibits.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, there unto duly authorized, on the 22nd day of February 2018.

ZEBRA TECHNOLOGIES CORPORATION

By: /s/ Anders Gustafsson

Anders Gustafsson

Chief Executive Officer

Pursuant to the requirements of the Securities and Exchange Act of 1934, the report has been signed below by the following persons in the capacities and on the dates indicated.

Signature	**Title**	**Date**
/s/ Anders Gustafsson Anders Gustafsson	Chief Executive Officer and Director (Principal Executive Officer)	February 22, 2018
/s/ Olivier Leonetti Olivier Leonetti	Chief Financial Officer (Principal Financial Officer)	February 22, 2018
/s/ Colleen O'Sullivan Colleen O'Sullivan	Vice President, Chief Accounting Officer (Principal Accounting Officer)	February 22, 2018
/s/ Michael A. Smith Michael A. Smith	Director and Chairman of the Board of Directors	February 22, 2018
/s/ Andrew K. Ludwick Andrew K. Ludwick	Director	February 22, 2018
/s/ Ross W. Manire Ross W. Manire	Director	February 22, 2018
/s/ Richard L. Keyser Richard L. Keyser	Director	February 22, 2018
/s/ Janice M. Roberts Janice M. Roberts	Director	February 22, 2018
/s/ Chirantan J. Desai Chirantan J. Desai	Director	February 22, 2018
/s/ Frank B. Modruson Frank B. Modruson	Director	February 22, 2018

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULE

	Page
Financial Statements	
Report of Independent Registered Public Accounting Firm	F- 2
Consolidated Balance Sheets as of December 31, 2017 and 2016	F- 3
Consolidated Statements of Operations for the years ended December 31, 2017, 2016, and 2015	F- 4
Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2017, 2016, and 2015	F- 5
Consolidated Statements of Stockholders' Equity for the years ended December 31, 2017, 2016, and 2015	F- 6
Consolidated Statements of Cash Flows for the years ended December 31, 2017, 2016, and 2015	F- 7
Notes to Consolidated Financial Statements	F- 8
Financial Statement Schedule	
The following financial statement schedule is included herein:	
Schedule II - Valuation and Qualifying Accounts	F- 37

All other financial statement schedules are omitted because they are not applicable or the required information is shown in the consolidated financial statements or related notes.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Zebra Technologies Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Zebra Technologies Corporation (the "Company") as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and financial statement schedule listed in Index Item 15 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 22, 2018 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2005.

Chicago, Illinois
February 22, 2018

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	December 31,	
	2017	**2016**
Assets		
Current assets:		
Cash and cash equivalents	$ 62	$ 156
Accounts receivable, net	479	625
Inventories, net	458	345
Income tax receivable	40	32
Prepaid expenses and other current assets	24	64
Total Current assets	1,063	1,222
Property, plant and equipment, net	264	292
Goodwill	2,465	2,458
Other intangibles, net	299	480
Long-term deferred income taxes	119	113
Other long-term assets	65	67
Total Assets	$ 4,275	$ 4,632
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ 51	$ —
Accounts payable	383	413
Accrued liabilities	337	323
Deferred revenue	186	191
Income taxes payable	43	22
Total Current liabilities	1,000	949
Long-term debt	2,176	2,648
Long-term deferred income taxes	—	3
Long-term deferred revenue	148	124
Other long-term liabilities	117	116
Total Liabilities	3,441	3,840
Stockholders’ Equity:		
Preferred stock, $.01 par value; authorized 10,000,000 shares; none issued	—	—
Class A common stock, $.01 par value; authorized 150,000,0000 shares; issued 72,151,857 shares	1	1
Additional paid-in capital	257	210
Treasury stock at cost, 18,915,762 and 19,267,269 shares at December 31, 2017 and December 31, 2016, respectively	(620)	(614)
Retained earnings	1,248	1,240
Accumulated other comprehensive loss	(52)	(45)
Total Stockholders’ Equity	834	792
Total Liabilities and Stockholders’ Equity	$ 4,275	$ 4,632

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share data)

	Year Ended December 31,		
	2017	**2016**	**2015**
Net sales			
Net sales of tangible products	$ 3,223	$ 3,056	$ 3,131
Revenue from services and software	499	518	519
Total Net sales	3,722	3,574	3,650
Cost of sales:			
Cost of sales of tangible products	1,677	1,593	1,629
Cost of services and software	335	339	377
Total Cost of sales	2,012	1,932	2,006
Gross profit	1,710	1,642	1,644
Operating expenses:			
Selling and marketing	448	444	494
Research and development	389	376	394
General and administrative	301	307	283
Amortization of intangible assets	184	229	251
Acquisition and integration costs	50	125	145
Impairment of goodwill and other intangibles	—	62	—
Exit and restructuring costs	16	19	40
Total Operating expenses	1,388	1,562	1,607
Operating income	322	80	37
Other expenses:			
Foreign exchange loss	(1)	(5)	(23)
Interest expense, net	(227)	(193)	(193)
Other, net	(6)	(11)	(1)
Total Other expenses	(234)	(209)	(217)
Income (loss) before income taxes	88	(129)	(180)
Income tax expense (benefit)	71	8	(22)
Net income (loss)	$ 17	$ (137)	$ (158)
Basic earnings (loss) per share	$ 0.33	$ (2.65)	$ (3.10)
Diluted earnings (loss) per share	$ 0.32	$ (2.65)	$ (3.10)
Basic weighted average shares outstanding	53,021,761	51,579,112	50,996,297
Diluted weighted average and equivalent shares outstanding	53,688,832	51,579,112	50,996,297

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)

	Year Ended December 31,		
	2017	**2016**	**2015**
Net income (loss)	$ 17	$ (137)	$ (158)
Other comprehensive income (loss), net of tax:			
Unrealized (loss) gain on anticipated sales hedging transactions	(15)	7	(6)
Unrealized gain (loss) on forward interest rate swaps hedging transactions	6	—	(7)
Foreign currency translation adjustment	2	(4)	(26)
Comprehensive income (loss)	$ 10	$ (134)	$ (197)

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions, except share data)

	Class A Common Stock Shares	Class A Common Stock Amount	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2014	51,654,337	$ 1	$ 147	$ (634)	$ 1,535	$ (9)	$ 1,040
Issuance of treasury shares upon exercise of stock options, purchases under stock purchase plan and grants of restricted stock awards, net of cancellations	646,395	—	1	16	—	—	17
Shares withheld related to net share settlement	(138,881)	—	—	(13)	—	—	(13)
Issuance of warrants exercisable for 250,000 shares, exercise price $89.34, expiration April 5, 2017	—	—	4	—	—	—	4
Additional tax benefit resulting from exercise of options	—	—	11	—	—	—	11
Share-based compensation	—	—	31	—	—	—	31
Net loss	—	—	—	—	(158)	—	(158)
Unrealized loss anticipated sales hedging transactions (net of income taxes)	—	—	—	—	—	(6)	(6)
Unrealized loss on forward interest rate swaps hedging transactions (net of income taxes)	—	—	—	—	—	(7)	(7)
Foreign currency translation adjustment	—	—	—	—	—	(26)	(26)
Balance at December 31, 2015	52,161,851	$ 1	$ 194	$ (631)	$ 1,377	$ (48)	$ 893
Issuance of treasury shares upon exercise of stock options, purchases under stock purchase plan and grants of restricted stock awards, net of cancellations	817,943	—	(14)	25	—	—	11
Shares withheld related to net share settlement	(95,206)	—	—	(8)	—	—	(8)
Additional tax benefit resulting from exercise of options	—	—	3	—	—	—	3
Share-based compensation	—	—	27	—	—	—	27
Net loss	—	—	—	—	(137)	—	(137)
Unrealized loss on anticipated sales hedging transactions (net of income taxes)	—	—	—	—	—	7	7
Unrealized gain on forward interest rate swaps hedging transactions (net of income taxes)	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	(4)	(4)
Balance at December 31, 2016	52,884,588	$ 1	$ 210	$ (614)	$ 1,240	$ (45)	$ 792
Cumulative effect of change in accounting principle	—	—	—	—	(9)	—	(9)
Issuance of treasury shares upon exercise of stock options, purchases under stock purchase plan and grants of restricted stock awards, net of cancellations	410,239	—	12	—	—	—	12
Shares withheld related to net share settlement	(58,732)	—	—	(6)	—	—	(6)
Share-based compensation	—	—	35	—	—	—	35
Net income	—	—	—	—	17	—	17
Unrealized loss on anticipated sales hedging transactions (net of income taxes)	—	—	—	—	—	(15)	(15)
Unrealized gain on forward interest rate swaps hedging transactions (net of income taxes)	—	—	—	—	—	6	6
Foreign currency translation adjustment	—	—	—	—	—	2	2
Balance at December 31, 2017	53,236,095	$ 1	$ 257	$ (620)	$ 1,248	$ (52)	$ 834

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2017	**2016**	**2015**
Cash flows from operating activities:			
Net income (loss)	$ 17	$ (137)	$ (158)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	263	304	320
Impairment of goodwill, intangibles and other assets	1	69	—
Amortization of debt issuance costs and discounts	38	23	16
Share-based compensation	35	27	31
Debt extinguishment costs	65	—	—
Deferred income taxes	(9)	(44)	(142)
Unrealized gain on forward interest rate swaps	(2)	—	(4)
Other, net	4	3	14
Changes in operating assets and liabilities:			
Accounts receivable, net	161	34	2
Inventories, net	(110)	34	(13)
Other assets	16	7	(7)
Accounts payable	(40)	125	(21)
Accrued liabilities	4	(29)	(5)
Deferred revenue	17	7	16
Income taxes	26	(41)	47
Other operating activities	(8)	(2)	26
Net cash provided by operating activities	478	380	122
Cash flows from investing activities:			
Acquisition of businesses, net of cash acquired	—	—	(52)
Purchases of property, plant and equipment	(50)	(77)	(122)
Proceeds from the sale of a business	—	39	—
Proceeds from the sale of long-term investments	—	—	3
Purchases of long-term investments	(1)	(1)	(1)
Purchases of investments and marketable securities	—	—	(1)
Proceeds from sales of investments and marketable securities	—	—	25
Net cash used in investing activities	(51)	(39)	(148)
Cash flows from financing activities:			
Payments of debt issuance costs and discounts	(5)	(5)	—
Proceeds from issuance of long-term debt	1,371	102	—
Payments of long term-debt	(1,825)	(484)	(165)
Payments of debt extinguishment costs	(65)	—	—
Proceeds from exercise of stock options and stock purchase plan purchases	12	11	17
Taxes paid related to net share settlement of equity awards	(5)	(8)	(13)
Net cash used in financing activities	(517)	(384)	(161)
Effect of exchange rate changes on cash	(4)	7	(15)
Net decrease in cash and cash equivalents	(94)	(36)	(202)
Cash and cash equivalents at beginning of year	156	192	394
Cash and cash equivalents at end of year	$ 62	$ 156	$ 192
Supplemental disclosures of cash flow information:			
Income taxes paid	$ 65	$ 81	$ 38
Interest paid	$ 195	$ 180	$ 183

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATIONAND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Description of Business

Zebra Technologies Corporation and its wholly-owned subsidiaries ("Zebra" or the "Company") is a global leader providing innovative Enterprise Asset Intelligence ("EAI") solutions in the automatic identification and data capture solutions industry. We design, manufacture, and sell a broad range of products that capture and move data. We also provide a full range of services, including maintenance, technical support, repair, and managed services, including cloud-based subscriptions. End-users of our products and services include those in retail and e-commerce, transportation and logistics, manufacturing, healthcare, hospitality, warehouse and distribution, energy and utilities, and education industries around the world. We provide our products and services globally through a direct sales force and an extensive network of channel partners.

Note 2 Summary of Significant Accounting Policies

Principles of Consolidation. These accompanying consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States and include the accounts of Zebra and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Fiscal Calendar. Zebra operates on a 4 week/4 week/5 week fiscal quarter, and each fiscal quarter ends on a Saturday. The fiscal year always begins on January 1 and ends on December 31. This fiscal calendar results in some fiscal quarters being either greater than or less than 13 weeks, depending on the days of the week on which those dates fall. During the 2017 fiscal year, our quarter end dates were April 1, July 1, September 30, and December 31.

Use of Estimates. These consolidated financial statements were prepared using estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of estimates include: cash flow projections and other assumptions included in our annual goodwill impairment test; loss contingencies; product warranties; useful lives of our tangible and intangible assets; allowances for doubtful accounts; the recognition and measurement of income tax assets and liabilities; and share-based compensation forfeiture rates. The Company bases its estimates on historical experience and on various other assumptions that the Company believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Cash and Cash Equivalents. Cash consists primarily of deposits with banks. In addition, the Company considers highly liquid short-term investments with original maturities of less than three months to be cash equivalents. These highly liquid short-term investments are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of a change in value because of changes in interest rates.

Included in the Company's Cash and cash equivalents are amounts held by foreign subsidiaries. The Company had $54 million and $98 million of foreign cash and cash equivalents included in the Company's total cash positions of $62 million and $156 million as of December 31, 2017 and 2016 , respectively.

Accounts Receivable and Allowance for Doubtful Accounts. Accounts receivable consist primarily of amounts due to us from our customers in the course of normal business activities. Collateral on trade accounts receivable is generally not required. The Company maintains an allowance for doubtful accounts for estimated uncollectible accounts receivable. The allowance is based on our assessment of known delinquent accounts. Accounts are written off against the allowance account when they are determined to be no longer collectible. During 2017, the Company initiated a receivables financing facility of up to $180 million . See Note 8, *Long-Term Debt* for further information.

Inventories. Inventories are stated at the lower of a moving-average cost (which approximates cost on a first-in, first-out basis) and net realizable value. Manufactured inventory cost includes materials, labor, and manufacturing overhead. Purchased inventory cost also includes internal purchasing overhead costs.

Provisions are made to reduce excess and obsolete inventories to their estimated net realizable values. Inventory provisions are based on forecasted demand, experience with specific customers, the age and nature of the inventory, and the ability to redistribute inventory to other programs or to rework into other consumable inventory.

The components of Inventories, net are as follows (in millions):

	December 31,	
	2017	2016
Raw material	$ 116	$ 111
Work in process	1	1
Finished goods	341	233
Inventories, net	$ 458	$ 345

Property, Plant and Equipment. Property, plant and equipment is stated at cost. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the various classes of property, plant and equipment, which are 30 years for buildings and range from 3 to 10 years for all other asset categories. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or estimated useful life of the asset.

Property, plant and equipment, net is comprised of the following (in millions):

	December 31,	
	2017	2016
Buildings	$ 54	$ 51
Land	8	10
Machinery and equipment	233	226
Furniture and office equipment	19	15
Software and computer equipment	235	197
Leasehold improvements	69	64
Projects in progress	23	35
	641	598
Less accumulated depreciation	(377)	(306)
Property, plant and equipment, net	$ 264	$ 292

Depreciation expense was $79 million , $75 million and $69 million for the periods ended December 31, 2017 , 2016 and 2015 , respectively.

Income Taxes. The Company accounts for income taxes under the liability method in accordance with Accounting Standards Codification ("ASC") 740, *Income Taxes* . Accordingly, deferred income taxes are provided for the future tax consequences attributable to differences between the carrying amounts of assets and liabilities for financial reporting and income tax purposes. Deferred tax assets and liabilities are measured using tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is established when necessary to reduce deferred tax assets to the amount that is more likely than not to be realized. The Company recognizes the benefit of tax positions when it is more likely than not to be sustained on its technical merits. The Company recognizes interest and penalties related to income tax matters as part of income tax expense. The Company has elected consolidated tax filings in certain of its jurisdictions which may allow the group to offset one member's income with losses of other members in the current period and on a carryover basis. The Company classifies its balance sheet tax accounts adopting a jurisdictional netting principle for those countries where a consolidated tax return election is in place.

The Tax Cut and Jobs Act ("TCJA" or "the Act") enacted on December 22, 2017 contains provisions related to the taxation of certain foreign earnings under the Global Intangible Low-Taxed Income ("GILTI") regime which is effective for tax years beginning on or after January 1, 2018. Under guidance issued by the Financial Accounting Standards Board on January 10, 2018, companies must account for the impact of the GILTI tax as either a temporary difference in the book and tax basis of assets giving rise to the GILTI income, net of a foreign tax credit, or as a charge to tax expense in the year GILTI income is included in the U.S. tax return. The Company has elected to treat its GILTI inclusions as a charge to tax expense in the year included in its U.S. tax return.

The effects of changes in tax rates and laws on deferred tax balances are recorded as a component of tax expense related to continuing operations for the period in which the law was enacted, even if the assets and liabilities related to items of accumulated other comprehensive income ("AOCI"). In other words, backward tracing of the income tax effects of items originally recognized through AOCI is prohibited. On February 7, 2018, the Financial Accounting Standards Board issued guidance requiring the reclassification to retained earnings of tax effects stranded in accumulated AOCI due to tax reform. The guidance requires that these changes be effective with fiscal years beginning on or after December 15, 2018 but allows

companies to early adopt the provision. The Company plans to adopt this provision with its fiscal year beginning January 1, 2018.

Goodwill. Goodwill is not amortized but is evaluated for impairment annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. If a quantitative assessment is completed as part of our impairment analysis for a reporting unit, we may engage a third-party appraisal firm to assist in the determination of estimated fair value for each reporting unit. This determination includes estimating the fair value using both the income and market approaches. The income approach requires management to estimate a number of factors for each reporting unit, including projected future operating results, economic projections, anticipated future cash flows and discount rates. The market approach estimates fair value using comparable marketplace fair value data from within a comparable industry grouping. The fair value of the reporting unit is compared to the carrying amount of the reporting unit. If a reporting unit is considered impaired, the impairment is recognized in the amount by which the carrying amount exceeds the fair value of the reporting unit.

The determination of the fair value of the reporting units and the allocation of that value to individual assets and liabilities within those reporting units requires us to make significant estimates and assumptions. These estimates and assumptions primarily include, but are not limited to: the selection of appropriate peer group companies; control premiums appropriate for acquisitions in the industries in which we compete; the discount rates; terminal growth rates; and forecasts of revenue, operating income, depreciation and amortization and capital expenditures. The allocation requires several analyses to determine the fair value of assets and liabilities including, among other things, customer relationships and trade names. Although we believe our estimates of fair value are reasonable, actual financial results could differ from those estimates due to the inherent uncertainty involved in making such estimates.

Changes in assumptions concerning future financial results or other underlying assumptions could have a significant impact on either the fair value of the reporting units, the amount of any goodwill impairment charge, or both.

We also compare the sum of the estimated fair values of the reporting units to the Company’s total value as implied by the market value of the Company’s securities. This comparison indicated that, in total, our assumptions and estimates were reasonable. However, future declines in the overall market value of the Company’s securities may indicate that the fair value of one or more reporting units has declined below its carrying value.

One measure of the sensitivity of the amount of goodwill impairment charges to key assumptions is the amount by which each reporting unit “passed” (fair value exceeds the carrying amount) or “failed” (the carrying amount exceeds fair value) the first step of the goodwill impairment test. See Note 4, *Goodwill and Other Intangibles, net* , for additional information.

Other Intangibles. Other intangible assets capitalized consist primarily of current technology, customer relationships, trade names, unpatented technology, and patents and patent rights. These assets are recorded at cost and amortized on a straight-line basis over the asset’s useful life which range from 3 years to 15 years .

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed of. The Company accounts for long-lived assets in accordance with the provisions of ASC 360, *Property, Plant and Equipment.* The statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the sum of the undiscounted cash flows expected to result from the use and the eventual disposition of the asset. If such assets are impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Cost Method Investments. The Company’s long-term investments are accounted for using the cost method. These investments are primarily in venture capital backed technology companies, where the Company's ownership interest is less than 20% of each investee. Under the cost method of accounting, investments are carried at cost and are adjusted only for other-than-temporary declines in fair value, certain distributions and additional investments. The Company held cost method investments in the amount of $25 million as of December 31, 2017 and 2016 . These investments are included in Other long-term assets on the Consolidated Balance Sheets. The Company recognized impairments of $1 million during fiscal 2017 which were recorded within Other expenses in the Consolidated Statements of Operations. There were $7 million of impairments to cost method investments in fiscal 2016 and no impairments in fiscal 2015 .

Revenue Recognition. Revenue includes sales of hardware, supplies and services (including repair services and product maintenance service contracts, which typically occur over time, and professional services, which typically occur in the early stages of a project). We enter into revenue arrangements that may consist of multiple deliverables of our hardware products and services due to the needs of our customers. For these type of revenue arrangements, we apply the guidance in ASC 605,

Revenue Recognition to identify the separate units of accounting by determining whether the delivered items have value to the customer on a standalone basis. Generally, there is no right of return for the hardware we sell. Allocation of arrangement consideration to repair services, product maintenance services, and extended warranty is equal to the stated contractual rate for such services, in accordance with the guidance in ASC 605-20. We also follow the accounting principles that establish a hierarchy to determine the selling price to be used for allocating revenue to deliverables as follows: (i) vendor-specific objective evidence of fair value ("VSOE"), (ii) third-party evidence of selling price ("TPE") and (iii) best estimate of the selling price ("BESP"). Generally, our agreements contain termination provisions whereby we are entitled to payment for delivered equipment and services rendered through the date of the termination. Some of our agreements may also contain cancellation provisions that in certain cases result in customer penalties. The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred and title has passed to the customer, which typically happens at the point of shipment provided that no significant obligations remain, the price is fixed and determinable and collectability of the sales price is reasonably assured. For hardware sales, in addition to the criteria discussed above, revenue recognition incorporates allowances for discounts, price protection, returns and customer incentives that can be reasonably estimated. In addition to cooperative marketing and other incentive programs, the Company has arrangements with some distributors, which allow for price protection and limited rights of return, generally through stock rotation programs. Under the price protection programs, the Company gives distributors credits for the difference between the original price paid and the Company's then current price. Under the stock rotation programs, distributors are able to exchange certain products based on the number of qualified purchases made during the period. We monitor and track these programs and record a provision for future payments or credits granted as reductions of revenue based on historical experience. Recorded revenues are reduced by these allowances. The Company enters into product maintenance and support agreements; revenues are deferred and then recognized ratably over the service period and the cost of providing these services is expensed as incurred. The Company includes shipping and handling charges billed to customers as revenue when the product ships; any costs incurred related to these services are included in cost of sales. Taxing authorities may assess tax on the Company based on the gross receipts from customers, referred to as indirect taxes. The Company's policy is to record indirect taxes as a short-term liability and not as a component of gross revenue.

Research and Development Costs. Research and development costs ("R&D") are expensed as incurred. These costs include:

- Salaries, benefits, and other R&D personnel related costs,
- Consulting and other outside services used in the R&D process,
- Engineering supplies,
- Engineering related information systems costs, and
- Allocation of building and related costs.

Advertising. Advertising is expensed as incurred. Advertising costs totaled $18 million , $18 million and $22 million for the years ended December 31, 2017 , 2016 and 2015 , respectively.

Warranty. The Company generally provides warranty coverage of 1 year on mobile computers, printers and batteries. Advanced data capture products are warrantied from 1 to 5 years, depending on the product. Thermal printheads are warrantied for 6 months and battery-based products, such as location tags, are covered by a 90 -day warranty. A provision for warranty expense is adjusted quarterly based on historical warranty experience.

The following table is a summary of the Company's accrued warranty obligation (in millions):

	Year Ended December 31,		
Warranty reserve	**2017**	**2016**	**2015**
Balance at the beginning of the year	$ 21	$ 22	$ 25
Warranty expense	28	31	30
Warranty payments	(31)	(32)	(33)
Balance at the end of the year	$ 18	$ 21	$ 22

Fair Value of Financial Instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Our financial assets and liabilities that require recognition under the accounting guidance generally include our available-for-sale investments, employee deferred compensation plan investments, foreign currency derivatives, and interest rate swaps. In accordance with ASC 815, *Derivatives and Hedging,* we recognize derivative instruments and hedging activities as either assets or liabilities on the Consolidated Balance Sheets and measure them at fair value. Gains and losses resulting from changes in fair value are accounted for depending on the use of the derivative and whether it is designated and qualifies for hedge accounting. See Note 7, *Derivative Instruments* for additional information on our derivatives and hedging activities.

The Company has foreign currency forwards to hedge certain foreign currency exposures and interest rate swaps to hedge a portion of the variability in future cash flows on debt. We use broker quotations or market transactions, in either the listed or

over-the-counter markets to value our foreign currency exchange contracts and relevant observable market inputs at quoted intervals, such as forward yield curves and the Company's own credit risk to value our interest rate swaps.

The Company's investments in marketable debt securities are classified as available-for-sale except for securities held in the Company's deferred compensation plans, which are considered to be trading securities. In general, we use quoted prices in active markets for identical assets to determine fair value. If active markets for identical assets are not available to determine fair value, then we use quoted prices for similar assets or inputs that are observable either directly or indirectly.

The carrying amounts of cash and cash equivalents, receivables and accounts payable approximate fair value due to the short-term nature of these financial instruments. See Note 6, *Fair Value Measurements* for financial assets and liabilities carried at fair value.

Share-Based Compensation. At December 31, 2017 , the Company had a share-based compensation plan and an employee stock purchase plan under which shares of our common stock were available for future grants and sales, and which are described more fully in Note 11, *Share-Based Compensation* . We account for these plans in accordance with ASC 505, *Equity* and ASC 718, *Compensation - Stock Compensation* . The Company recognizes compensation costs using the straight-line method over the vesting period upon grant of up to 4 years, net of estimated forfeitures.

The compensation expense and the related income tax benefit for share-based compensation were included in the Consolidated Statements of Operations as follows (in millions):

	Year Ended December 31,		
Compensation costs and related income tax benefit	**2017**	**2016**	**2015**
Cost of sales	$ 3	$ 2	$ 3
Selling and marketing	8	6	8
Research and development	11	9	8
General and administration	16	11	14
Total compensation expense	$ 38	$ 28	$ 33
Income tax benefit	$ 11	$ 9	$ 11

Foreign Currency Translation. The balance sheet accounts of the Company's non-U.S. subsidiaries, those not designated as U.S. dollar functional currency, are translated into U.S. dollars using the year-end exchange rate, and statement of earnings items are translated using the average exchange rate for the year. The resulting translation gains or losses are recorded in Stockholders' equity as a cumulative translation adjustment, which is a component of Accumulated other comprehensive income loss within the Consolidated Balance Sheets.

Acquisitions. We account for acquired businesses using the acquisition method of accounting. This method requires that the purchase price be allocated to the identifiable assets acquired and liabilities assumed at their estimated fair values. The excess of the purchase price over the identifiable assets acquired and liabilities assumed is recorded as goodwill.

The estimates used to determine the fair value of long-lived assets, such as intangible assets, can be complex and require significant judgments. We use information available to us to make fair value determinations and engage independent valuation specialists, when necessary, to assist in the fair value determination of significant acquired long-lived assets. While we use our best estimates and assumptions as a part of the purchase price allocation process, our estimates are inherently uncertain and subject to refinement. Critical estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from customer relationships, customer attrition rates, and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but due to the inherent uncertainty during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill.

Recently Adopted Accounting Pronouncement

In January 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-04, " *Intangibles - Goodwill and Other (Topic 350)* ." The amendments of this ASU are effective for annual or any interim goodwill impairment tests beginning after December 15, 2019, and early adoption is permitted for annual and interim goodwill impairment testing dates after January 1, 2017. The amendments in this ASU simplify goodwill impairment testing by eliminating the Step 2 procedure to determine the implied fair value of goodwill of a reporting unit which fails the Step 1 procedure. The implication of this update results in the amount by which a carrying amount exceeds the reporting unit's fair value to be recognized as an impairment charge in the interim or annual period identified. The standard is effective for public companies in the first calendar quarter of 2020 with early adoption permitted on a prospective basis. The Company has adopted

this ASU on a prospective basis effective as of January 1, 2017 and has concluded that this pronouncement has no impact on its consolidated financial statements or existing accounting policies.

In January 2017, the FASB issued ASU 2017-01, " *Business Combinations (Topic 805)- Clarifying the Definition of a Business* ," which clarifies the definition of a business when considering whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The clarified definition requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This definition reduces the number of transactions that need to be further evaluated as to be considered a business, an asset must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The effective date of this ASU is for fiscal years and interim periods beginning after December 15, 2017. This ASU should be applied prospectively on or after the effective date. No disclosures are required at transition. The Company adopted this ASU on January 1, 2017, on a prospective basis, and there was no impact on the Company's consolidated financial statements or existing accounting policies.

In October 2016, the FASB issued ASU 2016-16, *"Income Taxes (Topic 740) Intra-Entity Transfers of Assets Other Than Inventory* ." This ASU allows for an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. Consequently, the amendments in this ASU eliminate the exception for an intra-entity transfer of an asset other than inventory. The standard will be effective for public companies in the first calendar quarter of 2018, with early adoption permitted and on a modified retrospective basis as of the beginning of the period of adoption. The Company adopted this ASU on January 1, 2017. The Company recorded a reduction to retained earnings for the prior period catch-up of approximately $9 million for the unamortized prepaid tax on an intra-entity transfer of workforce in place. In the first quarter of 2017, the Company also recorded a $12 million benefit related to an intercompany transfer of intellectual property as a result of newly adopted accounting standards. The Company recognized no additional tax benefit in the fiscal year ended December 31, 2017 .

In August 2016, the FASB issued ASU 2016-15, " *Statement of Cash Flows (Topic 230) - Classification of Certain Cash Receipts and Cash Payments* ." This ASU provides clarification guidance on eight specific cash flow presentation issues that have developed due to diversity in practice. The issues include, but are not limited to, debt prepayment or extinguishment costs, contingent consideration payments made after a business combination, proceeds from the settlement of insurance claims, and cash receipts from payments on beneficial interests in securitization transactions. The amendments in this ASU where practicable will be applied retrospectively. The Company has retrospectively adopted this ASU during the third quarter 2017. The Company has recognized $4 million in the current year as financing activities and reclassified $5 million in the prior year of cash paid for debt issuance costs and discounts on the Consolidated Statements of Cash Flows from operating activities to financing activities. There was no impact to the Consolidated Statements of Cash Flow in 2015.

In March 2016, the FASB issued ASU 2016-09, "Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting." This ASU requires that entities recognize excess tax benefits and deficiencies related to employee share-based payment transactions as income tax expense and benefit versus additional paid in capital. This ASU also eliminates the requirement to reclassify excess tax benefits and deficiencies from operating activities to financing activities within the Consolidated Statements of Cash Flows. The Company has adopted recognition of excess tax benefits and deficiencies within income tax expense effective January 1, 2017 on a prospective basis. The Company has adopted presentation of excess tax benefits and deficiencies within operating activities in the Consolidated Statements of Cash Flows effective January 1, 2017 on a retrospective basis. The Company recognized $7 million as operating activities in the current year and reclassified excess tax benefits of $3 million , and $12 million on the Consolidated Statements of Cash Flows from financing activities to operating activities for the years ended December 31, 2016 and 2015, respectively. The Company has reflected a tax benefit of $7 million for the year ending December 31, 2017 , as a discrete item within the Consolidated Statements of Operations under the new ASU.

In July 2015, the FASB issued ASU 2015-11, *"Inventory (Topic 330): Simplifying the Measurement of Inventory* ," which changes the measurement principle for inventory from the lower of cost or market to the lower of cost or net realizable value for entities that measure inventory using first-in, first-out (FIFO) or average cost. Net realizable value is defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The Company has adopted this ASU effective January 1, 2017 on a prospective basis. There are no material impacts to the Company's consolidated financial statements or disclosures resulting from the adoption of this ASU.

Recently Issued Accounting Pronouncements Not Yet Adopted

In May 2014, the FASB issued ASU 2014-09, " *Revenue from Contracts with Customers (Topic 606)* ." Several ASUs have been issued since the issuance of ASU 2014-09 which modify certain sections of ASU 2014-09, and are intended to promote a more consistent interpretation and application of the principles outlined in the new standard. The core principle of the new standard is

that a company should recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. The new standard also requires that certain costs to obtain a contract, which have generally been expensed as incurred under the current guidance, will now be capitalized and amortized in a pattern consistent with the transfer to the customer of the goods or services to which the asset relates.

We completed the assessment and implementation phases of the process to adopt ASU 2014-09. We also completed updating our accounting policy around revenue recognition and evaluating new disclosure requirements. We will continue to implement and enhance appropriate changes to our business processes, systems, and controls, as necessary, to support recognition and disclosure under the new standard. The new disclosure requirements will change the content and presentation of the financial statement footnotes.

As a result of applying the provisions of the new standard, certain of our agreements will have different timing of revenue recognition as compared to ASC 605, Revenue Recognition. We will adopt this new ASU on January 1, 2018 using the modified retrospective approach. The Company expects to record an increase to retained earnings on its Consolidated Balance Sheets of approximately $17 million to $20 million in the first quarter of 2018 due to the cumulative impact of adopting ASU 2014-09. The increase to retained earnings will result from the initial capitalization of previously expensed services sales commissions, the impact of revenue recognized for open service contracts sold with other products, and the impact of different revenue recognition timing patterns for open customer contract arrangements initiated before January 1, 2018. Additionally, new disclosures of disaggregated revenue information by reportable segment, as well as new disclosures of remaining performance obligations will be included in the Company’s filings beginning with the first quarter of fiscal 2018.

In June 2016, the FASB issued ASU 2016-13, “ *Financial Instruments-Credit Losses (Topic 326) -Measurement of Credit Losses on Financial Instruments* .” The new standard requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. It replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. There are two transition methods available under the new standard dependent upon the type of financial instrument, either cumulative effect or prospective. The standard will be effective for the Company in the first quarter of 2020. Earlier adoption is permitted only for annual periods after December 15, 2018. Management is currently assessing the impact of adoption on the Company’s consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, “ *Leases (Subtopic 842)* .” This ASU increases the transparency and comparability of organizations by recognizing lease assets and liabilities on the Consolidated Balance Sheets and disclosing key quantitative and qualitative information about leasing arrangements. The principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases were not previously recognized in the Consolidated Balance Sheets. The recognition, measurement, presentation, and cash flows arising from a lease by a lessee have not significantly changed. This standard will be effective for the Company in the first quarter of 2019, with early adoption permitted. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. Management is currently assessing the impact of adoption on its consolidated financial statements. The impact of this ASU is non-cash in nature and will not affect the Company’s cash position.

In January 2016, the FASB issued ASU 2016-01, “ *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* .” ASU 2016-01 amends various aspects of the recognition, measurement, presentation, and disclosure for financial instruments. This ASU requires updates to the presentation of other comprehensive income resulting from a change in instrument-specific credit risk. This standard will be effective for the Company in the first quarter of 2018. Early adoption is prohibited for those provisions that apply to the Company. Amendments should be applied by means of cumulative effect adjustment to the Consolidated Balance Sheets as of the beginning of the fiscal year of adoption. The amendments related to equity securities without readily determinable fair values including disclosure requirements should be applied prospectively to equity investments that exist as of the date of adoption of the ASU. The impacts of adoption primarily relate to presentation, and there are no material impacts to the Company's consolidated financial statements or disclosures resulting from the adoption of this ASU.

Note 3 Business Combinations and Divestitures

Acquisitions

On October 27, 2014, the Company completed the Acquisition from Motorola Solutions Inc. (“MSI”) for a purchase price of $3.45 billion . During the year ended December 31, 2015, the Company paid additional consideration of $52 million to MSI, which included a $2 million opening cash adjustment and settlement of working capital adjustments. The Acquisition enables the Company to further sharpen its strategic focus on providing mission critical Enterprise Asset Intelligence solutions for its customers.

Divestitures
On September 13, 2016, the Company entered into an Asset Purchase Agreement with Extreme Networks, Inc. to dispose of the Company's wireless LAN ("WLAN") business ("Divestiture Group") for a gross purchase price of $55 million . On October 29, 2016, the Company completed the disposition of the Divestiture Group and recorded net proceeds of $39 million . In 2017, the Company and Extreme Networks, Inc. finalized the net working capital amounts for the Divestiture Group. The finalized amount did not differ materially from the original estimate.

The Company incurred a non-cash pre-tax charge related to the disposal group during the third quarter of 2016. This charge, which totaled $62 million , consisted of impairments of goodwill for $32 million and other intangibles for $30 million and is shown separately on the Consolidated Statements of Operations for the year ended December 31, 2016.

WLAN operating results are reported in the EVM segment through the closing date of the WLAN divestiture of October 28, 2016. Within the fiscal year ended December 31, 2016 Consolidated Statement of Operations, the Company generated revenue and gross profit from these assets of $106 million and $47 million , respectively.

Note 4 Goodwill and Other Intangibles, net
The balances and changes in Other Intangibles, net are as follows (in millions):

	December 31, 2017		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets			
Current technology	$ 24	$ (23)	$ 1
Trade names	41	(41)	—
Unpatented technology	242	(205)	37
Patents and patent rights	235	(215)	20
Customer relationships	481	(240)	241
Total	$ 1,023	$ (724)	$ 299
Amortization expense for the year ended December 31, 2017		$ 184	

	December 31, 2016		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets			
Current technology	$ 24	$ (21)	$ 3
Trade names	40	(40)	—
Unpatented technology	241	(146)	95
Patent and patent rights	238	(161)	77
Customer relationships	478	(173)	305
Total	$ 1,021	$ (541)	$ 480
Amortization expense for the year ended December 31, 2016		$ 229	

Estimated amortization expense for future periods is as follows (in millions):	Amount
For the year ended December 31, 2018	$ 96
For the year ended December 31, 2019	83
For the year ended December 31, 2020	39
For the year ended December 31, 2021	37
For the year ended December 31, 2022	31
Thereafter	13
Total	$ 299

There was no impairment of Other Intangible assets recorded during fiscal 2017. Impairment of Other Intangible assets of $30 million was recorded during fiscal 2016 related to the wireless LAN business divestiture which is reflected within the EVM segment.

Changes in the net carrying value amount of goodwill were as follows (in millions):

	Total
Goodwill as of December 31, 2015	$ 2,490
Impairment charge – wireless LAN divestiture	(32)
Goodwill as of December 31, 2016	2,458
Foreign exchange impact	7
Goodwill as of December 31, 2017	$ 2,465

As of December 31, 2017 , goodwill totaled $2.3 billion for the EVM reportable segment and $154 million for the AIT reportable segment.

There was no goodwill impairment recorded in fiscal 2017. Goodwill impairment of $32 million was recorded during fiscal 2016 related to the wireless LAN business divestiture which is reflected within the EVM segment.

The Company completed its annual goodwill impairment testing during the fourth quarter 2017. For all of the Company's reporting units, the estimated fair values exceeded the carrying values ranging from approximately 20% to 90% .

Note 5 Costs Associated with Exit and Restructuring

In the first quarter 2017, the Company's executive leadership approved an initiative to continue the Company's efforts to increase operational efficiency (the "Productivity Plan"). The Company expects the Productivity Plan to build upon the exit and restructuring initiatives specific to the acquisition of the Enterprise business ("Enterprise") from Motorola Solutions, Inc. in October 2014, (the "Acquisition Plan"). Actions under the Productivity Plan include organizational design changes, process improvements and automation. Implementation of actions identified through the Productivity Plan is expected to be substantially complete by December 2018. Exit and restructuring costs are not included in the operating results of our segments as they are not deemed to impact the specific segment measures as reviewed by our Chief Operating Decision Maker and therefore are reported as a component of Corporate, eliminations. See Note 15, *Segment Information and Geographic Data* .

Total exit and restructuring charges of $12 million life-to-date and year-to-date specific to the Productivity Plan have been recorded through December 31, 2017 and relate to severance and related benefits, lease exit costs and other expenses. Total remaining charges associated with this plan are expected to be in the range of $8 million to $12 million with activities expected to be substantially complete by the end of fiscal 2018.

Total exit and restructuring charges of $69 million life-to-date specific to the Acquisition Plan have been recorded through December 31, 2017 and include severance and related benefits, lease exit costs and other expenses. Charges related to the Acquisition Plan for the twelve-month period ended December 31, 2017 and 2016, were $4 million and $19 million , respectively. The Company has substantially completed the activities associated with the Acquisition Plan.

The Company incurred total exit and restructuring costs as follows (in millions):

Type of Cost	Cumulative costs incurred through December 31, 2017	Costs incurred for the year ended December 31, 2017	Cumulative costs incurred through December 31, 2016
Severance, stay bonuses, and other employee-related expenses	$ 69	$ 15	$ 54
Obligations for future lease payments	12	1	11
Total	$ 81	$ 16	$ 65

A rollforward of the exit and restructuring accruals is as follows (in millions):

	Year Ended December 31,	
	2017	2016
Balance at beginning of year	$ 10	$ 15
Charged to earnings	16	19
Cash paid	(18)	(22)
WLAN Divestiture	—	(2)
Balance at the end of year	$ 8	$ 10

Liabilities related to exit and restructuring activities are included in the following reported financial statement line items in the Company's Consolidated Balance Sheets (in millions):

	Year Ended December 31,	
	2017	2016
Accrued liabilities	$ 6	$ 7
Other long-term liabilities	2	3
Total liabilities related to exit and restructuring activities	$ 8	$ 10

Settlement of the specified long-term balance will be completed by October 2023 due to the remaining obligation of non-cancellable lease payments associated with the exited facilities.

Note 6 Fair Value Measurements

Financial assets and liabilities are to be measured using inputs from three levels of the fair value hierarchy in accordance with ASC Topic 820, *Fair Value Measurements.* Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into the following three broad levels:

Level 1:	Quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. (e.g. U.S. Treasuries and money market funds).
Level 2:	Observable prices that are based on inputs not quoted on active markets but corroborated by market data.
Level 3:	Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. In addition, the Company considers counterparty credit risk in the assessment of fair value.

The Company's financial assets and liabilities carried at fair value as of December 31, 2017 , are classified below (in millions):

	Level 1	Level 2	Level 3	Total
Assets:				
Money market investments related to the deferred compensation plan	$ 15	$ —	$ —	$ 15
Total Assets at fair value	$ 15	$ —	$ —	$ 15
Liabilities:				
Forward interest rate swap contracts [2]	$ —	$ 18	$ —	$ 18
Foreign exchange contracts [1]	2	9	—	11
Liabilities related to the deferred compensation plan	15	—	—	15
Total Liabilities at fair value	$ 17	$ 27	$ —	$ 44

The Company's financial assets and liabilities carried at fair value as of December 31, 2016 , are classified below (in millions):

	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts [1]	$ 11	$ 12	$ —	$ 23
Money market investments related to the deferred compensation plan	11	—	—	11
Total Assets at fair value	$ 22	$ 12	$ —	$ 34
Liabilities:				
Forward interest rate swap contracts [2]	$ —	$ 27	$ —	$ 27
Liabilities related to the deferred compensation plan	11	—	—	11
Total Liabilities at fair value	$ 11	$ 27	$ —	$ 38

(1) The fair value of foreign exchange contracts is calculated as follows:
   a. Fair value of a collar or put option contract associated with forecasted sales hedges is calculated using bid and ask rates for similar contracts.
   b. Fair value of regular forward contracts associated with forecasted sales hedges is calculated using the period-end exchange rate adjusted for current forward points.
   c. Fair value of hedges against net assets is calculated at the period end exchange rate adjusted for current forward points unless the hedge has been traded but not settled at period end (Level 2). If this is the case, the fair value is calculated at the rate at which the hedge is being settled (Level 1). As a result, transfers from Level 2 to Level 1 of the fair value hierarchy totaled $2 million and $11 million as of December 31, 2017 and 2016 , respectively.

(2) The fair value of forward interest rate swap contracts is based upon a valuation model that uses relevant observable market inputs at the quoted intervals, such as forward yield curves, and may be adjusted for the Company's own credit risk and the interest rate swap terms. See gross balance reporting in Note 7, *Derivative Instruments* .

Note 7 Derivative Instruments

In the normal course of business, the Company is exposed to global market risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative instruments to manage its exposure to such risks and may elect to designate certain derivatives as hedging instruments under ASC 815, *Derivatives and Hedging* . The Company formally documents all relationships between designated hedging instruments and hedged items as well as its risk management objectives and strategies for undertaking the hedge transactions. The Company does not hold or issue derivatives for trading or speculative purposes.

In accordance with ASC 815, *Derivative and Hedging* , the Company recognizes derivative instruments as either assets or liabilities on the Consolidated Balance Sheets and measures them at fair value. The following table presents the fair value of its

derivative instruments (in millions):

	Asset (Liability) Derivatives		
	Consolidated Balance Sheets Classification	Fair Value	
		December 31	
		2017	2016
Derivative instruments designated as hedges:			
Foreign exchange contracts	Prepaid expenses and other current assets	$ —	$ 12
Foreign exchange contracts	Accrued liabilities	(9)	—
Forward interest rate swaps	Accrued liabilities	(2)	(3)
Forward interest rate swaps	Other long-term liabilities	(8)	(13)
Total derivative instruments designated as hedges		$ (19)	$ (4)
Derivative instruments not designated as hedges:			
Foreign exchange contracts	Prepaid expenses and other current assets	$ —	$ 11
Foreign exchange contracts	Accrued liabilities	(2)	—
Forward interest rate swaps	Accrued liabilities	(1)	(1)
Forward interest rate swaps	Other long-term liabilities	(7)	(10)
Total derivative instruments not designated as hedges		(10)	—
Total Net Derivative Liability		$ (29)	$ (4)

The following table presents the net (losses) gains from changes in fair values of derivatives that are not designated as hedges (in millions):

		Net (Loss) Gain Recognized in Income		
		Year Ended December 31,		
	Consolidated Statements of Operations Classification	2017	2016	2015
Derivative instruments not designated as hedges:				
Foreign exchange contracts	Foreign exchange (loss) gain	$ (24)	$ 5	$ 11
Forward interest rate swaps	Interest expense and other, net	2	—	4
Total net (loss) gain from derivative instruments not designated as hedges		$ (22)	$ 5	$ 15

Credit and Market Risk Management

Financial instruments, including derivatives, expose the Company to counterparty credit risk of nonperformance and to market risk related to currency exchange rate and interest rate fluctuations. The Company manages its exposure to counterparty credit risk by establishing minimum credit standards, diversifying its counterparties, and monitoring its concentrations of credit. The Company's credit risk counterparties are commercial banks with expertise in derivative financial instruments. The Company evaluates the impact of market risk on the fair value and cash flows of its derivative and other financial instruments by considering reasonably possible changes in interest rates and currency exchange rates. The Company continually monitors the creditworthiness of the customers to which it grants credit terms in the normal course of business. The terms and conditions of the Company's credit sales are designed to mitigate or eliminate concentrations of credit risk with any single customer.

Foreign Currency Exchange Risk Management

The Company conducts business on a multinational basis in a wide variety of foreign currencies. Exposure to market risk for changes in foreign currency exchange rates arises from euro denominated external revenues, cross-border financing activities

between subsidiaries, and foreign currency denominated monetary assets and liabilities. The Company realizes its objective of preserving the economic value of non-functional currency denominated cash flows by initially hedging transaction exposures with natural offsets to the fullest extent possible and, once these opportunities have been exhausted, through foreign exchange forward and option contracts.

The Company manages the exchange rate risk of anticipated euro denominated sales by using put options, forward contracts, and participating forwards, all of which typically mature within twelve months of execution. The Company designates these derivative contracts as cash flow hedges. Unrealized gains and losses on these contracts are deferred in Accumulated other comprehensive loss on the Consolidated Balance Sheets until the contract is settled and the hedged sale is realized. The realized gain or loss is then recorded as an adjustment to Net sales on the Consolidated Statement of Operations. Realized (losses) or gains were $(8) million , $(7) million , and $14 million for the periods ending December 31, 2017 , 2016 and 2015 , respectively. As of December 31, 2017 and 2016 , the notional amounts of the Company's foreign exchange cash flow hedges were €389 million and €341 million , respectively. The Company has reviewed its cash flow hedges for effectiveness and determined they are highly effective.

The Company uses forward contracts, which are not designated as hedging instruments, to manage its exposures related to its Brazilian real, British pound, Canadian dollar, Czech koruna, euro, Australian dollar, Swedish krona, Japanese yen and Singapore dollars denominated net assets. These forward contracts typically mature within three months after execution. Monetary gains and losses on these forward contracts are recorded in income each quarter and are generally offset by the foreign exchange gains and losses related to their net asset positions. The notional values of these outstanding contracts are as follows:

	December 31,			
	2017		2016	
Notional balance of outstanding contracts (in millions):				
British Pound/US dollar	£	13	£	3
Euro/US dollar	€	108	€	148
British Pound/Euro	£	5	£	8
Canadian Dollar/US dollar	$	12	$	13
Czech Koruna/US dollar	Kč	361	Kč	147
Brazilian Real/US dollar	R$	34	R$	56
Malaysian Ringgit/US dollar	RM	—	RM	16
Australian Dollar/US dollar	$	55	$	50
Swedish Krona/US dollar	kr	13	kr	7
Japanese Yen/US dollar	¥	151	¥	48
Singapore Dollar/US dollar	S$	4	S$	15
Net fair value (liability) asset of outstanding contracts (in millions)	$	(2)	$	11

Interest Rate Risk Management

On July 26, 2017, the Company entered into an Amended and Restated Credit Agreement (the "A&R Credit Agreement"), which amended, modified and added provisions to the Company's previous credit agreement, provided for an additional term loan of $687.5 million ("Term Loan A") and increased the existing revolving credit facility ("Revolving Credit Facility") from $250 million to $500 million . See Note 8, *Long-Term Debt* . Borrowings under the existing term loan ("Term Loan B"), the new Term Loan A, the Revolving Credit Facility and the receivables financing facility bear interest at a variable rate plus an applicable margin. As a result, the Company is exposed to market risk associated with the variable interest rate payments on both term loans.

The Company manages its exposure to changes in interest rates by utilizing interest rate swaps to hedge this exposure and to achieve a desired proportion of fixed versus floating-rate debt, based on current and projected market conditions. The Company does not enter into derivative instruments for trading or speculative purposes.

In December 2017, the Company entered into an $800 million forward long-term interest rate swap agreement to lock into a fixed LIBOR interest rate base for debt facilities subject to monthly interest payments, including Term Loan A, the Revolving Credit Facility and receivables financing facility. Under the terms of the agreement, $800 million in variable-rate debt will be swapped for a fixed interest rate with net settlement terms due effective in December 2018. The changes in fair value of these

swaps are not designated as hedges and are recognized immediately as Interest expense, net on the Consolidated Statement of Operations.

The Company has a floating-to-fixed interest rate swap, which was designated as a cash flow hedge. This swap was terminated and the hedge accounting treatment was discontinued in 2014. This swap has $4 million to be amortized through Accumulated other comprehensive loss on the Consolidated Balance Sheets and into Interest expense, net on the Consolidated Statements of Operations through June 2021, of which $2 million will be amortized during 2018.

The Company has three interest rate swaps previously entered into with the purpose of converting floating-to-fixed rate debt. The first swap was entered into with a syndicated group of commercial banks for the purpose of moving from floating-to-fixed rate debt. The second swap largely offsets the first swap, moving from fixed-to-floating rate debt. Both of these instruments are not designated as hedges and the changes in fair value are recognized in Interest expense, net on the Consolidated Statements of Operations. The third swap entered into was an interest rate swap converting floating-to-fixed rate debt which was designated as a cash flow hedge and receives hedge accounting treatment. All three swaps have a termination date in June 2021.

The changes in fair value of the active swap designated as a cash flow hedge are recognized in Accumulated other comprehensive loss on the Consolidated Balance Sheets, with any ineffectiveness immediately recognized in earnings. At December 31, 2017 , the Company estimated that approximately $4 million in losses on the forward interest rate swap designated as a cash flow hedge will be reclassified from Accumulated other comprehensive loss on the Consolidated Balance Sheets into earnings during the next four quarters.

The Company's master netting and other similar arrangements with the respective counterparties allow for net settlement under certain conditions, which are designed to reduce credit risk by permitting net settlement with the same counterparty. The following table presents the gross fair values and related offsetting counterparty fair values as well as the net fair value amounts for interest rates swaps at December 31, 2017 (in millions):

	Gross Fair Value	Offsetting Counterparty Fair Value	Net Fair Value in the Consolidated Balance Sheets
Counterparty A	$ 8	$ 4	$ 4
Counterparty B	3	1	2
Counterparty C	3	1	2
Counterparty D	5	3	2
Counterparty E	3	1	2
Counterparty F	3	1	2
Counterparty G	4	—	4
Total	$ 29	$ 11	$ 18

The notional amount of the designated interest rate swaps effective in each year of the cash flow hedge relationships does not exceed the principal amount of the Term Loan, which is hedged. The Company has reviewed its interest rate swap hedges for effectiveness and determined they are all 100% effective.

The interest rate swaps have the following notional amounts per year (in millions):

Year 2018	$ 544
Year 2019	1,344
Year 2020	1,072
Year 2021	1,072
Remainder	800
Notional balance of outstanding contracts	$ 4,832

Note 8 Long-Term Debt

The following table shows the carrying value of the Company's debt (in millions):

	December 31,	
	2017	2016
Senior Notes	$ —	$ 1,050
Term Loan B	1,160	1,653
Term Loan A	679	—
Revolving Credit Facility	275	—
Receivables Financing Facility	135	—
Total debt	2,249	2,703
Less: Debt issuance costs	(7)	(22)
Less: Unamortized discounts	(15)	(33)
Less: Current portion of long-term debt	(51)	—
Total long-term debt	$ 2,176	$ 2,648

At December 31, 2017 , the future maturities of long-term debt, excluding debt discounts and issuance costs, consisted of the following (in millions):

2018	$ 51
2019	174
2020	56
2021	1,968
2022	—
Thereafter	—
Total future maturities of long-term debt	$ 2,249

The estimated fair value of our long-term debt approximated $1.8 billion at December 31, 2017 and $2.8 billion at December 31, 2016 . These fair value amounts exclude the Revolving Credit Facility and receivables financing facility as these facilities are stated at fair value. These fair value amounts represent the estimated value at which the Company's lenders could trade its debt within the financial markets and does not represent the settlement value of these long-term debt liabilities to the Company. The fair value of the long-term debt will continue to vary each period based on fluctuations in market interest rates, as well as changes to the Company's credit ratings. This methodology resulted in a Level 2 classification in the fair value hierarchy.

Credit Facilities
On July 26, 2017, the Company entered into the A&R Credit Agreement, which amended, modified and added provisions to the Company's previous credit agreement. The A&R Credit Agreement provides for a Term Loan A of $688 million and increased the existing Revolving Credit Facility from $250 million to $500 million . The Company incurred and capitalized debt issuance costs of $5 million related to Term Loan A and the increased Revolving Credit Facility under the A&R Credit Agreement.

In addition, as part of the A&R Credit Agreement, the Company partially paid down and repriced its Term Loan B. The A&R Credit Agreement also lowered the index rate spread for LIBOR loan from LIBOR + 250 bp to LIBOR + 200 bp for its Term Loan B.

In accounting for the early termination and repricing of Term Loan B, the Company applied the provisions of ASC 470-50, *Modifications and Extinguishments* ("ASC 470-50"). The evaluation of the accounting under ASC 470-50 was done on a creditor by creditor basis in order to determine if the terms of the debt were substantially different and, as a result, whether to apply modification or extinguishment accounting. The Company determined that the terms of the debt were not substantially different for approximately 80.4% of the lenders, and applied modification accounting. For the remaining 19.6% of the lenders, extinguishment accounting was applied. Certain lenders elected not to participate in the debt repricing, which resulted in a debt principal prepayment of $75 million of the Company's outstanding debt balance. The debt repricing transaction also resulted in one-time pre-tax charges including third-party fees for arranger, legal and other services and accelerated discount and amortization of debt issuance costs on the debt principal prepayment of approximately $6 million . These costs are reflected as non-operating expenses in Other, net on the Company's Consolidated Statements of Operations.

As of December 31, 2017 , the Term Loan A interest rate was 3.35% , and the Term Loan B interest rate was 3.37% . Borrowings under the Term Loan B, as amended, bear interest at a variable rate subject to a floor of 2.75% . The facility allows for interest

payments payable monthly or quarterly on Term Loan A and quarterly on Term Loan B. The Company has entered into interest rate swaps to manage interest rate risk on its long-term debt on Term Loan B. See Note 7, *Derivative Instruments* .

The A&R Credit Agreement also requires the Company to prepay certain amounts in the event of certain circumstances or transactions, as defined in the A&R Credit Agreement. The Company may make prepayments against the Term Loans, in whole or in part, without premium or penalty. Under Term Loan A, the Company made debt principal prepayments of $9 million during the year ended December 31, 2017 . Under Term Loan B, the Company made debt principal prepayments of $493 million during the year ended December 31, 2017 . The Term Loan A, unless amended, modified, or extended, will mature on July 27, 2021 (the "Term Loan A Maturity Date"). The Term Loan B, unless amended, modified, or extended, will mature on October 27, 2021 (the "Term Loan B Maturity Date"). To the extent not previously paid, the Term Loans are due and payable on, respectively, the Term Loan A Maturity Date and Term Loan B Maturity Date. At such time, the Company will be required to repay all outstanding principal, accrued and unpaid interest and other charges in accordance with the A&R Credit Agreement. Assuming the Company makes no further optional debt principal prepayments on Term Loan A, the outstanding principal as of the Term Loan A Maturity Date will be approximately $498 million . Assuming the Company makes no further optional debt principal prepayments on the Term Loan B, the outstanding principal as of the Term Loan B Maturity Date will be approximately $1.2 billion .

The Revolving Credit Facility is available for working capital and other general corporate purposes including letters of credit. The amount (including letters of credit) cannot exceed $500 million . As of December 31, 2017 , the Company had letters of credit totaling $5 million , which reduced funds available for other borrowings under the Revolving Credit Facility to $495 million . The Revolving Credit Facility will mature and the related commitments will terminate on July 27, 2021.

Borrowings under the Revolving Credit Facility bear interest at a variable rate plus an applicable margin. As of December 31, 2017 , the Revolving Credit Facility had an average interest rate of 3.39% . The facility allows for interest payments payable monthly or quarterly. As of December 31, 2017 , the Company had borrowings of $275 million against the Revolving Credit Facility. There were no borrowings against the Revolving Credit Facility in the prior year comparable period.

Senior Notes

During fiscal 2017, the Company used proceeds from Term Loan A, the Revolving Credit Facility and the receivables financing facility to redeem $1.1 billion in outstanding principal of the 7.25% Senior Notes (the "Senior Notes"), maturing October 2022. In accounting for the early termination of Senior Notes, the Company applied the provisions of ASC 470-50, *Modifications and Extinguishments* ("ASC 470-50"). Based on the terms of the debt, the Company concluded extinguishment accounting was appropriate to apply. The Company recognized a $65 million make whole premium, which was recorded as Interest expense, net on the Company's Consolidated Statements of Operations. The Company also recognized accelerated debt issuance costs of $16 million which were recorded as Interest expense, net on the Company's Consolidated Statements of Operations.

Receivables Financing Facility

On December 1, 2017, a wholly-owned, bankruptcy-remote, special-purpose entity ("SPE") of the Company entered into the Receivables Purchase Agreement, which provides for a receivables financing facility of up to $180 million . The SPE utilizes the receivables financing facility in the normal course of business as part of its management of cash flows. Under its committed receivables financing facility, a subsidiary of the Company sells its domestically originated accounts receivables at fair value, on a revolving basis, to the SPE which was formed for the sole purpose of buying the receivables. The SPE, in turn, pledges a valid and perfected first-priority security interest in the pool of purchased receivables to a financial institution for borrowing purposes. The subsidiary retains an ownership interest in the pool of receivables that are sold to the SPE and services those receivables. Accordingly, the Company has determined that these transactions do not qualify for sale accounting under ASC 860, *Transfers and Servicing of Financial Assets* , and has, therefore, accounted for the transactions as secured borrowings.

At December 31, 2017 , the Company's Consolidated Balance Sheets included $421 million of receivables that were pledged and $135 million of associated liabilities. The SPE borrowed $145 million on the receivables financing facility and repaid $10 million in 2017. In 2017, the Company recorded expenses related to its receivables financing facility of $1 million as Interest expense, net on the Company's Consolidated Statements of Operations. The receivables financing facility will mature on November 29, 2019.

Borrowings under the receivables financing facility bear interest at a variable rate plus an applicable margin. As of December 31, 2017 , the receivables financing facility had an average interest rate of 2.35% and requires monthly interest payments.

Both the Revolving Credit Facility and receivables financing facility include terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels.

Summary of fiscal 2017 actions
The actions taken during fiscal 2017 resulted in net repayments of $454 million and included the following:

- Term Loan A borrowings of $688 million ,
- Term Loan A debt principal payments of $9 million ,
- Revolving Credit Facility borrowings of $275 million ,
- Senior Note debt principal prepayments of $1.1 billion ,
- Term Loan B debt principal prepayments of $493 million ,
- Receivables financing facility borrowings of $145 million , and
- Receivables financing facility payments of $10 million .

The Company was in compliance with all covenants as of December 31, 2017 and is currently not aware of any events that would cause non-compliance with any covenants in the future.

From January 1, 2018 through February 22, 2018, the Company made principal debt repayments of $63 million .

Certain domestic subsidiaries of the Company (the "Guarantor Subsidiaries") guarantee the Term Loans and the Revolving Credit Facility on a senior basis: For the period ended December 31, 2017 , the non-Guarantor Subsidiaries would have (a) accounted for 57.3% of our total revenue and (b) held 86.9% or $4.3 billion of our total assets and approximately 87.6% or $3.0 billion of our total liabilities including trade payables but excluding intercompany liabilities.

Note 9 Lease Commitments
The Company leases certain manufacturing facilities, distribution centers, and sales offices under non-cancellable operating leases. Rent expense under these leases was $34 million , $39 million and $45 million at December 31, 2017, 2016 and 2015, respectively. Lease terms range from 1 to 15 years with break periods specified in the lease agreements.

The Company's minimum future lease obligations under all non-cancellable operating leases as of December 31, 2017 are as follows (in millions):

	Future Minimum Payments
2018	$ 32
2019	27
2020	20
2021	13
2022	10
2023 and thereafter	36
Total minimum future lease obligations	$ 138

Note 10 Contingencies
The Company is subject to a variety of investigations, claims, suits, and other legal proceedings that arise from time to time in the ordinary course of business, including but not limited to, intellectual property, employment, tort, and breach of contract matters. The Company currently believes that the outcomes of such proceedings, individually and in the aggregate, will not have a material adverse impact on its business, cash flows, financial position, or results of operations. Any legal proceedings are subject to inherent uncertainties, and the Company's view of these matters and its potential effects may change in the future.

In connection with the acquisition of the Enterprise business from Motorola Solutions, Inc., the Company acquired Symbol Technologies, Inc., a subsidiary of Motorola Solutions ("Symbol"). A putative federal class action lawsuit, Waring v. Symbol Technologies, Inc., et al., was filed on August 16, 2005 against Symbol Technologies, Inc. and two of its former officers in the United States District Court for the Eastern District of New York by Robert Waring. After the filing of the Waring action, several additional purported class actions were filed against Symbol and the same former officers making substantially similar allegations (collectively, the New Class Actions"). The Waring action and the New Class Actions were consolidated for all purposes and on April 26, 2006, the Court appointed the Iron Workers Local # 580 Pension Fund as lead plaintiff and approved its retention of lead counsel on behalf of the putative class. On August 30, 2006, the lead plaintiff filed a Consolidated Amended Class Action Complaint (the "Amended Complaint"), and named additional former officers and directors of Symbol as defendants. The lead plaintiff alleges that the defendants misrepresented the effectiveness of Symbol's internal controls and forecasting processes, and that, as a result, all of the defendants violated Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and the individual defendants violated Section 20(a) of the Exchange Act. The lead plaintiff alleges that it

was damaged by the decline in the price of Symbol's stock following certain purported corrective disclosures and seeks unspecified damages. The court has certified a class of investors that includes those that purchased Symbol common stock between March 12, 2004 and August 1, 2005. The parties have completed fact and expert discovery and they have agreed to a schedule for the filing of dispositive motions, which is subject to the Court's approval. Although the Court has entered a scheduling order that currently requires the filing of a proposed joint pre-trial order by February 28, 2018, the parties are in the process of negotiating a proposed amendment to that order. The parties have scheduled a mediation for March 15, 2018. The current lead Directors and Officers ("D&O") insurer previously maintained a position of not agreeing to reimburse defense costs incurred by the Company in connection with this matter. The current D&O insurer is now required to advance defense costs incurred by the Company in connection with this matter.

The Company establishes an accrued liability for loss contingencies related to legal matters when the loss is both probable and estimable. In addition, for some matters for which a loss is probable or reasonably possible, an estimate of the amount of loss or range of loss is not possible, and we may be unable to estimate the possible loss or range of losses that could potentially result from the application of non-monetary remedies. Currently, the Company is unable to reasonably estimate the amount of reasonably possible losses for the above-mentioned matter.

Unclaimed Property Voluntary Disclosure Agreement ("VDA") and Audits: The Company is currently under audit by several states related to its reporting of unclaimed property liabilities. Additionally, in December 2017, the Company entered into a VDA with the State of Delaware. The Company has engaged an outside consultant to facilitate the assessment of the estimated liability that may result from these activities, but has not progressed sufficiently in its assessment to quantify and record a contingency reserve for any unreported unclaimed property liabilities.

Note 11 Share-Based Compensation

The Zebra Technologies Corporation Long-Term Incentive Plan ("2015 Plan"), provides for incentive compensation to the Company's non-employee directors, officers and employees. The awards available under the 2015 Plan include Stock Appreciation Rights ("SARs"), Restricted Stock Awards ("RSAs"), Performance Share Awards ("PSAs"), Cash-settled Stock Appreciation Rights ("CSRs"), Restricted Stock Units ("RSUs"), and Performance Stock Units ("PSUs"). Non-qualified stock options were available under the 2006 Long-Term Incentive Plan ("2006 Plan"). Non-qualified stock options are no longer granted under the 2015 Plan. A total of 4.0 million shares became available for delivery under the 2015 Plan.

A summary of the equity awards authorized and available for future grants under the 2015 Plan is as follows:

Available for future grants at December 31, 2016	2,164,297
Newly authorized options	—
Granted	(726,862)
Cancellation and forfeitures	—
Plan termination	—
Available for future grants at December 31, 2017	1,437,435

Pre-tax share-based compensation expense recognized in the Consolidated Statements of Operations was $ 38 million , $ 28 million and $ 33 million for the years ended December 31, 2017 , 2016 and 2015 , respectively. Tax related benefits of $ 11 million , $ 9 million and $ 11 million were also recognized for the years ended December 31, 2017 , 2016 and 2015 , respectively. As of December 31, 2017 , total unearned compensation costs related to the Company's share-based compensation plans was $50 million , which will be amortized over the weighted average remaining service period of 2.2 years .

Stock Appreciation Rights ("SARs")

A summary of the Company's SARs outstanding under the 2015 Plan is as follows:

	2017		2016		2015	
SARs	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
Outstanding at beginning of year	1,740,786	$ 56.15	1,397,611	$ 56.78	1,292,142	$ 42.20
Granted	402,029	98.87	627,971	52.13	332,159	107.31
Exercised	(250,326)	48.66	(160,946)	35.37	(179,702)	40.71
Forfeited	(66,550)	75.38	(115,215)	65.74	(45,441)	75.26
Expired	(7,948)	108.20	(8,635)	88.65	(1,547)	47.11
Outstanding at end of year	1,817,991	$ 65.73	1,740,786	$ 56.15	1,397,611	$ 56.78
Exercisable at end of year	874,942	$ 50.86	828,754	$ 45.14	736,075	$ 35.90

The fair value of share-based compensation is estimated on the date of grant using a binomial model. Volatility is based on an average of the implied volatility in the open market and the annualized volatility of the Company's stock price over its entire stock history. Grants in the table below include SARs that will be settled in the Class A common stock or cash.

The following table shows the weighted-average assumptions used for grants of SARs, as well as the fair value of the grants based on those assumptions:

	2017	2016	2015
Expected dividend yield	0%	0%	0%
Forfeiture rate	9.37%	9.01%	10.24%
Volatility	35.49%	43.14%	33.98%
Risk free interest rate	1.77%	1.29%	1.53%
Range of interest rates	0.71%-2.41%	0.25%-1.75%	0.02% - 2.14%
Expected weighted-average life (in years)	4.13	5.33	5.32
Fair value of SARs granted	$12.01	$12.65	$11.63
Weighted-average grant date fair value of SARs granted (per underlying share)	$29.86	$20.18	$35.00

The following table summarizes information about SARs outstanding at December 31, 2017 :

	Outstanding	Exercisable
Aggregate intrinsic value (in millions)	$ 70	$ 47
Weighted-average remaining contractual term (in years)	6.1	4.7

The intrinsic value for SARs exercised in fiscal 2017 , 2016 and 2015 was $14 million , $6 million and $11 million , respectively. The total fair value of SARs vested in fiscal 2017 , 2016 and 2015 was $8 million , $3 million and $8 million , respectively.

Cash received from the exercise of SARs in fiscal 2017 was $12 million compared to $6 million in the prior year. The related tax benefit realized was $3 million in fiscal 2017 compared to $1 million in the prior year.

The Company's SARs are expensed over the vesting period of the related award, which is typically 4 years.

Restricted Stock Awards ("RSAs") and Performance Share Awards ("PSAs")
The Company's restricted stock grants consist of time-vested restricted stock awards ("RSAs") and performance vested restricted stock awards ("PSAs"). The RSAs and PSAs hold voting rights and therefore are considered participating securities. The outstanding RSAs and PSAs are included as part of the Company's Class A Common Stock outstanding. The RSAs and PSAs vest at each vesting date subject to restrictions such as continuous employment except in certain cases as set forth in each stock agreement. The Company's restricted stock awards are expensed over the vesting period of the related award, which is typically 3 years . Some awards, including those granted annually to non-employee directors as an equity retainer fee, were vested upon grant. PSAs targets are set based on certain Company-wide financial metrics. Compensation cost is calculated as the market date fair value on grant date multiplied by the number of shares granted.

The Company also issues stock awards to nonemployee directors. Each director receives an equity grant of shares every year during the month of May. The number of shares granted to each director is determined by dividing the value of the annual grant by the price of a share of common stock. In fiscal 2017 , there were 12,488 shares granted to nonemployee directors compared to 25,088 shares and 9,194 shares in fiscal 2016 and 2015 , respectively. New directors in any fiscal year earned a prorated amount. The shares vest immediately upon the grant date.

A summary of information relative to the Company's restricted stock awards is as follows:

	2017		2016		2015	
Restricted Stock Awards	**Shares**	**Weighted-Average Grant Date Fair Value**	**Shares**	**Weighted-Average Grant Date Fair Value**	**Shares**	**Weighted-Average Grant Date Fair Value**
Outstanding at beginning of year	622,814	$ 70.19	566,447	$ 77.68	691,621	$ 60.06
Granted	199,629	98.90	389,193	51.93	185,782	107.17
Released	(165,846)	75.90	(275,229)	59.39	(253,801)	51.95
Forfeited	(27,955)	72.81	(57,597)	70.50	(57,155)	75.11
Outstanding at end of year	628,642	$ 77.70	622,814	$ 70.19	566,447	$ 77.68

The fair value of each performance award granted includes assumptions around the Company's performance goals. A summary of information relative to the Company's performance awards is as follows:

	2017		2016		2015	
Performance Share Awards	**Shares**	**Weighted-Average Grant Date Fair Value**	**Shares**	**Weighted-Average Grant Date Fair Value**	**Shares**	**Weighted-Average Grant Date Fair Value**
Outstanding at beginning of year	379,226	$ 70.14	332,630	$ 73.40	374,180	$ 61.53
Granted	79,423	98.97	172,024	51.01	106,411	75.77
Released	(2,029)	62.70	(111,325)	46.58	(120,000)	38.67
Forfeited	(190,873)	73.09	(14,103)	75.73	(27,961)	73.45
Outstanding at end of year	265,747	$ 77.04	379,226	$ 70.14	332,630	$ 73.40

Other Award Types

The Company also has cash-settled compensation awards including cash-settled Stock Appreciation Rights ("CSRs"), Restricted Stock Units ("RSUs"), and Performance Stock Units ("PSUs") (the "Awards") that are expensed over the vesting period of the related award, which is not more than 4 years. Compensation cost is calculated at the market date fair value on grant date multiplied by the number of share-equivalents granted and the fair value is remeasured at the end of each reporting period. Share-based liabilities paid for these awards was $1.5 million in 2017 compared to $0.8 million in 2016 . Share-equivalents issued under these programs totaled 45,781 , 95,210 and 11,618 in fiscal 2017 , 2016 and 2015 , respectively.

Non-qualified Stock Options

A summary of the Company's options outstanding under the 2006 Plan is as follows:

Non-qualified Options	2017 Shares	2017 Weighted-Average Exercise Price	2016 Shares	2016 Weighted-Average Exercise Price	2015 Shares	2015 Weighted-Average Exercise Price
Outstanding at beginning of year	154,551	$ 35.96	204,434	$ 36.66	415,960	$ 40.19
Granted	—	—	—	—	—	—
Exercised	(132,905)	36.86	(47,393)	38.60	(209,976)	43.53
Forfeited	—	—	—	—	—	—
Expired	(5,941)	41.25	(2,490)	43.35	(1,550)	51.62
Outstanding at end of year	15,705	$ 26.34	154,551	$ 35.96	204,434	$ 36.66
Exercisable at end of year	15,705	$ 26.34	154,551	$ 35.96	204,434	$ 36.66

The following table summarizes information about non-qualified stock options outstanding at December 31, 2017 :

	Outstanding	Exercisable
Aggregate intrinsic value (in millions)	$ 1	$ 1
Weighted-average remaining contractual term (in years)	0.70	0.70

There were no non-qualified stock options issued during the twelve months ended December 31, 2017 .

The intrinsic value for non-qualified options exercised in fiscal 2017 , 2016 and 2015 was $8 million , $2 million and $10 million , respectively. There were no non-qualified options vested in fiscal 2017 , 2016 and 2015 .

Cash received from the exercise of non-qualified options in fiscal 2017 was $5 million compared to $2 million in the prior year. The related tax benefit realized was less than $2 million in fiscal 2017 compared to $1 million in the prior year.

Employee Stock Purchase Plan
The Zebra Technologies Corporation 2011 Employee Stock Purchase Plan (“2011 Plan”), which became effective in fiscal 2011, permits eligible employees to purchase common stock at 95% of the fair market value at the date of purchase. Employees may make purchases by cash or payroll deductions up to certain limits. The aggregate number of shares that may be purchased under this plan is 1,500,000 shares. At December 31, 2017 , 922,972 shares were available for future purchase.

Note 12 Income Taxes
The geographical sources of income (loss) before income taxes were as follows (in millions):

	Year Ended December 31, 2017	2016	2015
United States	$ (152)	$ (120)	$ (288)
Outside United States	240	(9)	108
Total	$ 88	$ (129)	$ (180)

Income tax expense (benefit) consisted of the following (in millions):

	Year Ended December 31,		
	2017	2016	2015
Current:			
Federal	$ 10	$ 14	$ 84
State	8	6	4
Foreign	62	31	32
Total current	80	51	120
Deferred:			
Federal	20	(31)	(117)
State	(10)	(6)	(24)
Foreign	(19)	(6)	(1)
Total deferred	(9)	(43)	(142)
Total expense (benefit)	$ 71	$ 8	$ (22)

The Company recognized tax expense of $71 million and $8 million for the years ended December 31, 2017 and 2016, respectively. The Company's effective tax rates were 80.7% and (6.2)% as of December 31, 2017 and 2016 , respectively. The Company's effective tax rate was higher than the federal statutory rate of 35% primarily due to deferred income taxed on the outbound transfer of U.S. assets, an increase in uncertain tax benefits, increased valuation allowance for its foreign deferred tax assets, foreign non-deductible expenses, the one-time transition tax and remeasurement of its net U.S. deferred tax assets under U.S. tax reform. These increases were partially offset by the benefit of lower tax rates in foreign jurisdictions, recognition of deferred tax assets on intercompany asset transfers, the generation of tax credits in the current year, and deductions from vesting of equity compensation.

A reconciliation between the Provision computed at the statutory rate and the Provision for income taxes is provided below:

	Year Ended December 31,		
	2017	2016	2015
Provision computed at statutory rate	35.0%	35.0 %	35.0%
U.S. Tax Reform - One-time transaction tax	41.8	0.0	0.0
Remeasurement of Deferred Taxes	(56.0)	0.0	0.0
Change in valuation allowance	96.4	(1.0)	(8.3)
US impact of Enterprise acquisition	12.9	(14.1)	(26.7)
Change in contingent income tax reserves	14.0	(1.6)	(3.3)
Foreign earnings subject to U.S. taxation	2.0	(6.6)	(3.9)
Foreign rate differential	(29.1)	(16.0)	13.9
Intra-entity transactions	(18.8)	0.0	0.0
State income tax, net of federal tax benefit	(5.3)	(1.0)	1.1
Tax credits	(5.7)	9.5	6.1
Equity compensation deductions	(5.6)	(0.4)	0.0
Return to provision and other true ups	(3.2)	(3.7)	0.0
Other	2.3	(6.3)	(1.7)
Provision for income taxes	80.7%	(6.2)%	12.2%

The Company earns a significant amount of our operating income outside of the U.S., primarily in the United Kingdom, Singapore, and Luxembourg, with statutory rates of 19% , 17% , and 27% , respectively. During 2017, the Company affirmed an incentivized tax rate of 10% with the Singapore Economic Development Board with the Company's commitment to make increased investments in Singapore; this tax rate will expire on December 31, 2018, unless the Company applies for and is granted an extension.

The Company has recognized $12 million of deferred tax benefit related to the impact of a sale of intangible assets within the consolidated group where the tax basis of assets was stepped up to fair market value. With the Company's adoption of ASU 2016-16, the tax impact of non-inventory intra-entity transfers of assets are recognized in the period in which the transfer occurs. See Note 2, *Summary of Significant Accounting Policies* for further explanation.

Tax effects of temporary differences that resulted in deferred tax assets and liabilities are as follows (in millions):

	December 31,	
	2017	2016
Deferred tax assets:		
Capitalized research expenditures	$ 32	$ 58
Deferred revenue	21	57
Tax credits	31	33
Net operating loss carryforwards	338	35
Other accruals	20	31
Inventory items	20	27
Capitalized software costs	14	25
Sales return/rebate reserve	33	27
Share-based compensation expense	12	15
Accrued bonus	1	11
Unrealized gains and losses on securities and investments	8	4
Valuation allowance	(134)	(47)
Total deferred tax assets	396	276
Deferred tax liabilities:		
Depreciation and amortization	275	165
Undistributed earnings	2	1
Total deferred tax liabilities	$ 277	$ 166
Net deferred tax assets	$ 119	$ 110

At December 31, 2017 , the Company has approximately $338 million (tax effected) of net operating losses (“NOLs”) and approximately $30 million of credit carryforwards. Approximately $45 million of NOLs will expire beginning in 2033 thru 2037, and $24 million of credits will expire beginning in 2023 thru 2032. $293 million of NOLs and $6 million of credits have no expiration date. The Company elected a fiscal unity regime for its Luxembourg group which allows the Company to offset losses against other group member income. As a result of this election, the Company has remeasured the value of its deferred tax assets and liabilities in Luxembourg at the statutory rate of 27% , giving rise to an increase of $290 million in its net operating loss carryforwards, an increase of $66 million in valuation allowances, and an increase of $224 million in its depreciation and amortization deferred tax liability.

Impact of U.S. Tax Reform

TCJA was enacted on December 22, 2017. The Act reduces the U.S. federal corporate tax rate from 35% to 21%, requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were previously tax deferred and creates new taxes on certain foreign sourced earnings. At December 31, 2017, we have not completed our accounting for the tax effects of enactment of the Act; however, in certain cases, as described below, we have made a reasonable estimate of the effects on our existing deferred tax balances and the one-time transition tax. In other cases, we have not been able to make a reasonable estimate and continue to account for those items based on our existing accounting under ASC 740, Income Taxes, and the provisions of the tax laws that were in effect immediately prior to enactment. For the items for which we were able to determine a reasonable estimate, we recognized a provisional amount of $ 72 million , which is included as a component of income tax expense.

Provisional amounts

Deferred tax assets and liabilities: We remeasured U.S. deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally 21% . However, we are still analyzing certain aspects of the Act and refining our calculations, which could potentially affect the measurement of these balances or potentially give rise to new deferred tax amounts. The provisional amount recorded related to the remeasurement of our deferred tax balance was $35 million .

Foreign Tax Effects

The one-time transition tax is based on our total post-1986 earnings and profits (“E&P”) that we previously deferred from U.S. income taxes. We recorded a provisional amount for our one-time transition tax liability, resulting in an increase in income tax expense of $37 million . We have not yet completed our calculation of the total post-1986 E&P for these foreign subsidiaries.

Further, the transition tax is based in part on the amount of those earnings held in cash and other specified assets. This amount may change when we finalize the calculation of post-1986 foreign E&P previously deferred from U.S. federal taxation and finalize the amounts held in cash or other specified assets. We have reduced our deferred tax asset for income tax credits by $10 million which is available to offset the one-time transition tax, resulting in an estimated cash tax liability of $26 million which is to be remitted over the next eight years as follows:

	One-Time Transition Tax - Payments Due for Calendar Year Tax Returns							
	2017	2018	2019	2020	2021	2022	2023	2024
Unremitted Earnings Payments	$ 2	$ 2	$ 2	$ 2	$ 2	$ 4	$ 5	$ 7

The Company earns a significant amount of our operating income outside of the U.S. As of year-ended December 31, 2017, the Company is indefinitely reinvested with respect to its U.S. directly-owned subsidiary earnings and therefore has not accrued any withholding taxes on those earnings. However, certain foreign affiliate parent companies are not indefinitely reinvested and the Company has recorded a deferred tax liability of $2 million for foreign withholding taxes on those earnings. The Company's policy considers its U.S. investment in directly-owned foreign affiliates to be indefinitely reinvested. Under the Act, future unremitted foreign earnings will no longer be subject to tax when repatriated to its U.S. parent, but may be subject to withholding taxes of the payor affiliate country. Additionally, gains and losses on taxable dispositions of U.S.-owned foreign affiliates continue to be subject to U.S. tax. For the years ended December 31, 2017 and 2016, the Company has not recognized deferred tax liabilities in the U.S. with respect to foreign withholding taxes or its outside basis differences in its directly-owned foreign affiliates and quantification of the unrecognized deferred tax liability is not practical.

Performance-Based Executive Compensation
The Act amends the rules related to the exclusion of performance-based compensation under Internal Revenue Code 162(m). The Company will no longer be able to claim a deduction for compensation accrued after January 1, 2018 for a covered employee which exceeds $1 million , unless the compensation is earned in respect of a binding contract in existence on November 2, 2017 ("Grandfathered Contracts"). The Company has estimated the remeasurement of the Section 162(m) grandfathered deferred tax assets at 21% for its covered employees for equity award agreements issued and executed prior to November 2, 2017, assuming that its benefit plan documents will fall within the grandfathered contract rules; should guidance to the contrary be issued by U.S. Treasury, the Company would have to remeasure its grandfathered deferred tax assets at $0 . Additionally, the Company has determined that its short-term bonus plan will not qualify for the grandfathered contract provisions, thus any deferred short-term bonus to be paid to covered employees in 2018 has been remeasured at a 0% rate.

The Company has not recorded an adjustment to its state and local current or deferred income tax provision as a result of the Act. Guidance from state tax authorities which do not fully conform with the U.S. Internal Revenue Code is not available to allow the Company to estimate the financial statement impact at this time.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in millions):

	Year ended December 31,	
	2017	2016
Balance at beginning of year	$ 42	$ 40
Additions for tax positions related to the current year	—	2
Additions for tax positions related to prior years	11	2
Reductions for tax positions related to prior years	(1)	(2)
Settlements for tax positions	(1)	—
Balance at end of year	$ 51	$ 42

At December 31, 2017 and December 31, 2016 , there are $47 million and $40 million of unrecognized tax benefits that if recognized would affect the annual effective tax rate. The Company continues to believe its positions are supportable, however, the Company anticipates that $20 million of uncertain tax benefits may be paid within the next twelve months and, as such, is reflected as a current liability within the Company's Consolidated Balance Sheets. The Company is currently undergoing audits of the 2013 through 2015 U.S. federal income tax returns. The Company is engaged in an inquiry from the UK Her Majesty's Revenue and Customs ("HMRC") for the years 2012 and 2014. The tax years 2004 through 2016 remain open to examination by multiple foreign and U.S. state taxing jurisdictions. Due to uncertainties in any tax audit outcome, the Company's estimates of the ultimate settlement of uncertain tax positions may change and the actual tax benefits may differ significantly from the estimates.

The Company recognized $2 million of interest and/or penalties related to income tax matters as part of income tax expense for the year ended December 31, 2017 . The Company accrued $6 million and $4 million of interest and penalties accrued in the Consolidated Balance Sheets as of December 31, 2017 and 2016 .

Note 13 Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares assuming dilution. Dilutive common shares outstanding is computed using the Treasury Stock method and in periods of income, reflects the additional shares that would be outstanding if dilutive stock options were exercised for common shares during the period.

Earnings (loss) per share were computed as follows (dollars in millions, except share data):

	Year Ended December 31,		
	2017	2016	2015
Basic:			
Net income (loss)	$ 17	$ (137)	$ (158)
Weighted-average shares outstanding [1]	53,021,761	51,579,112	50,996,297
Basic earnings (loss) per share	$ 0.33	$ (2.65)	$ (3.10)
Diluted:			
Net income (loss)	$ 17	$ (137)	$ (158)
Weighted-average shares outstanding [1]	53,021,761	51,579,112	50,996,297
Dilutive shares [2]	667,071	—	—
Diluted weighted-average shares outstanding	53,688,832	51,579,112	50,996,297
Diluted earnings (loss) per share	$ 0.32	$ (2.65)	$ (3.10)

(1) In periods of net loss, restricted stock awards that are classified as participating securities are excluded from the weighted-average shares outstanding computation.

(2) In periods of net loss, options are anti-dilutive and therefore excluded from the earnings (loss) per share calculation.

There were 259,142 outstanding options to purchase common shares that were anti-dilutive and excluded from the earnings per share calculation as of December 31, 2017 compared to 1,391,567 and 1,421,506 excluded for the periods ended December 31, 2016 and 2015 , respectively. Anti-dilutive securities consist primarily of stock appreciation rights (“SARs”) with an exercise price greater than the average market closing price of the Class A common stock.

Note 14 Accumulated Other Comprehensive Income (Loss)

Stockholders’ equity includes certain items classified as other comprehensive income (loss), including:

- **Unrealized (loss) gain on anticipated sales hedging transactions** relate to derivative instruments used to hedge the exposure related to currency exchange rates for forecasted Euro sales. These hedges are designated as cash flow hedges, and the Company defers income statement recognition of gains and losses until the hedged transaction occurs. See Note 7, *Derivative Instruments* for more details .
- **Unrealized (loss) gain on forward interest rate swaps hedging transactions** refer to the hedging of the interest rate risk exposure associated with the variable rate commitment entered into for the Acquisition. See Note 7, *Derivative Instruments* for more details.
- **Foreign currency translation adjustment** relates to the Company’s non-U.S. subsidiary companies that have been designated a functional currency other than the U.S. dollar. The Company is required to translate the subsidiary functional currency financial statements to dollars using a combination of historical, period-end, and average foreign exchange rates. This combination of rates creates the foreign currency translation adjustment component of other comprehensive income (loss).

The components of Accumulated other comprehensive income (loss) ("AOCI") for each of the three years ended December 31 are as follows (in millions):

	Unrealized (loss) gain on sales hedging	Unrealized (loss) gain on forward interest rate swaps	Currency translation adjustments	Total
Balance at December 31, 2014	$ 5	$ (8)	$ (6)	$ (9)
Other comprehensive income (loss) before reclassifications	7	(12)	(11)	(16)
Amounts reclassified from AOCI [1]	(15)	1	(15)	(29)
Tax benefit	2	4	—	6
Other comprehensive loss	(6)	(7)	(26)	(39)
Balance at December 31, 2015	(1)	(15)	(32)	(48)
Other comprehensive income (loss) before reclassifications	1	(1)	(4)	(4)
Amounts reclassified from AOCI [1]	7	2	—	9
Tax expense	(1)	(1)	—	(2)
Other comprehensive income (loss)	7	—	(4)	3
Balance at December 31, 2016	6	(15)	(36)	(45)
Other comprehensive income (loss) before reclassifications	(26)	1	2	(23)
Amounts reclassified from AOCI [1]	8	8	—	16
Tax benefit (expense)	3	(3)	—	—
Other comprehensive (loss) income	(15)	6	2	(7)
Balance at December 31, 2017	$ (9)	$ (9)	$ (34)	$ (52)

(1) See Note 7, *Derivative Instruments* regarding timing of reclassifications on forward interest rate swaps.

Note 15 Segment Information & Geographic Data

The segment information reflects the operating results of the Company's business segments. In January 2018, The Company changed the names of the reportable segments to better reflect business operations. The Company has two reportable segments; Asset Intelligence & Tracking ("AIT"), formerly Legacy Zebra and Enterprise Visibility & Mobility ("EVM"), formerly Enterprise.

- The AIT segment consists of barcode and card printing, location solutions, supplies, and services
- The EVM segment consists of mobile computing, data capture, and RFID

The operating segments have been identified based on the financial data utilized by the Company's Chief Executive Officer (the chief operating decision maker) to assess segment performance and allocate resources between the Company's segments. The chief operating decision maker uses adjusted operating income to evaluate segment profitability.

The accounting policies of the segments are in accordance with Note 2, *Summary of Significant Accounting Policies* . The chief operating decision maker does not use total assets by segment to make decisions regarding resources, therefore the total asset disclosure by segment has not been included.

Financial information by segment is presented as follows (in millions):

	Year Ended December 31,		
	2017	2016	2015
Net sales:			
AIT	$ 1,311	$ 1,247	$ 1,286
EVM	2,414	2,337	2,380
Total segment net sales	3,725	3,584	3,666
Corporate, eliminations [1]	(3)	(10)	(16)
Total net sales	$ 3,722	$ 3,574	$ 3,650
Operating income:			
AIT	$ 260	$ 240	$ 258
EVM	315	286	236
Total segment operating income	575	526	494
Corporate, eliminations [2]	(253)	(446)	(457)
Total operating income	$ 322	$ 80	$ 37

(1) Amounts included in Corporate, eliminations consist of purchase accounting adjustments related to the Acquisition.
(2) Amounts included in Corporate, eliminations consist of purchase accounting adjustments not reported in segments; amortization of intangible assets, acquisition/integration costs, impairment of goodwill and other intangibles, and exit and restructuring costs.

Information regarding the Company's operations by geographic area is contained in the following table. These amounts are reported in the geographic area of the destination of the final sale. We manage our business based on regions rather than by individual countries.

Geographic data for net sales is as follows (in millions):

	Year Ended December 31,		
	2017	2016	2015
Europe, Middle East, and Africa	$ 1,221	$ 1,138	$ 1,194
Latin America	235	214	219
Asia-Pacific	468	483	463
Total International	1,924	1,835	1,876
North America	1,798	1,739	1,774
Total net sales	$ 3,722	$ 3,574	$ 3,650

Geographic data for long-lived assets, defined as property, plant and equipment is as follows (in millions):

	Year Ended December 31,		
	2017	2016	2015
Europe, Middle East, and Africa	$ 14	$ 13	$ 10
Latin America	3	3	3
Asia-Pacific	9	9	10
Total International	26	25	23
North America	238	267	275
Total long-lived assets	$ 264	$ 292	$ 298

Net sales by country that are greater than 10% of total net sales are as follows (in millions):

	Year Ended December 31,		
	2017	2016	2015
United States	$ 1,984	$ 1,950	$ 2,045
United Kingdom	1,196	1,065	1,102
Singapore	454	362	175
Other	88	197	328
Total net sales	$ 3,722	$ 3,574	$ 3,650

Net sales by country are determined by the country from where the products are invoiced when they leave the Company's warehouses. Generally, our United States sales company serves North America and Latin America; United Kingdom sales company serves Europe, Middle East, and Africa; and our Singapore sales company serves Asia-Pacific.

Our net sales to significant customers as a percentage of the total Company's net sales by segment were as follows:

	Year Ended December 31,								
	2017			2016			2015		
	AIT	EVM	Total	AIT	EVM	Total	AIT	EVM	Total
Customer A	6.3%	15.0%	21.3%	5.9%	14.2%	20.1%	5.5%	13.9%	19.4%
Customer B	5.3%	8.9%	14.2%	5.0%	8.2%	13.2%	4.6%	8.1%	12.7%
Customer C	6.2%	7.0%	13.2%	5.3%	7.1%	12.4%	5.2%	6.4%	11.6%

All three of the above customers are distributors and not end-users. No other customer accounted for 10% or more of total net sales during the years presented.

There are three customers at December 31, 2017 and December 31, 2016 that each accounted for more than 10% of outstanding accounts receivable. In 2017 , the three largest customers accounted for 19.5% , 14.0% , and 11.7% , respectively of accounts receivable while in 2016 , the three largest customers accounted for 19.9% , 14.0% and 12.9% , respectively.

Note 16 Supplementary Financial Information

The components of Accounts receivable, net are as follows (in millions):

	December 31,	
	2017	2016
Accounts receivable	$ 482	$ 628
Allowance for doubtful accounts	(3)	(3)
Accounts receivable, net	$ 479	$ 625

Prepaid expenses and other current assets consist of the following (in millions):

	December 31,	
	2017	2016
Foreign Exchange Contracts	$ —	$ 23
Other	24	41
Prepaid expenses and other current assets	$ 24	$ 64

The components of Accrued liabilities are as follows (in millions):

	December 31,	
	2017	2016
Accrued incentive compensation	$ 101	$ 52
Customer reserves	41	50
Accrued payroll	50	51
Interest payable	15	20
Accrued other expenses	130	150
Accrued liabilities	$ 337	$ 323

Summary of Quarterly Results of Operations (unaudited)
(In millions):

	2017				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
Total Net sales	$ 865	$ 896	$ 935	$ 1,026	$ 3,722
Gross profit	401	411	429	469	1,710
Net income (loss)	8	17	(12)	4	17
Net earnings per common share:					
Basic earnings (loss) per share:	$ 0.16	$ 0.33	$ (0.23)	$ 0.07	$ 0.33
Diluted earnings (loss) per share:	0.16	0.32	(0.23)	0.07	0.32

	2016				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
Total Net sales	$ 849	$ 879	$ 904	$ 942	$ 3,574
Gross profit	390	406	414	432	1,642
Net (loss) income	(26)	(45)	(83)	17	(137)
Net earnings per common share:					
Basic (loss) earnings per share:	$ (0.50)	$ (0.88)	$ (1.61)	$ 0.34	$ (2.65)
Diluted (loss) earnings per share:	(0.50)	(0.88)	(1.61)	0.34	(2.65)

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
Schedule II
Valuation and Qualifying Accounts
(In millions)

Description	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions	Balance at End of Period
Valuation account for accounts receivable:				
Year ended December 31, 2017	$ 3	$ 1	$ 1	$ 3
Year ended December 31, 2016	6	—	3	3
Year ended December 31, 2015	1	5	—	6
Valuation account for deferred tax assets:				
Year ended December 31, 2017	$ 47	$ 91	$ 4	$ 134
Year ended December 31, 2016	48	18	19	47
Year ended December 31, 2015	57	5	14	48

See accompanying report of independent registered public accounting firm.

Table of Contents

Index to Exhibits

3.1(i)	(3)	Restated Certificate of Incorporation of the Company.
3.1(ii)	(13)	Amended and Restated By-laws of Zebra Technologies Corporation, as amended as of January 7, 2013.
4.1		Specimen stock certificate representing Class A Common Stock.
10.1	(5)	Employment Agreement between the Company and Hugh Gagnier dated December 12, 2007. +
10.2	(4)	Amendment No. 1 to Employment Agreement between the Company and Hugh Gagnier dated December 30, 2008. +
10.3	(18)	Employment Agreement between Olivier Leonetti and the Company dated October 31, 2016. +
10.4	(4)	Form of Amendment No. 1 to Employment Agreement by and between the Company and certain executive officers dated December 30, 2008.+
10.5	(18)	Form of indemnification agreement between Zebra Technologies Corporation and each director and executive officer.
10.6	(11)	Form of Director Stock Option Agreement (1-Year Vesting) under the 2006 Incentive Compensation Plan for awards granted to directors on or after May 22, 2008 and prior to December 2, 2008. +
10.7	(12)	Amendment to outstanding Stock Option Agreements under the 2006 Incentive Compensation Plan, dated December 2, 2008. +
10.8	(8)	2006 Incentive Compensation Plan. +
10.9	(12)	Amendment to the 2006 Incentive Compensation Plan dated December 2, 2008. +
10.10	(15)	2011 Long-Term Incentive Plan (Amended and Restated as of May 15, 2014). +
10.11		2015 Long-Term Incentive Plan. *+
10.12		2015 Short-Term Incentive Plan. *+
10.13	(10)	2005 Executive Deferred Compensation Plan, as amended. +
10.14	(7)	Form of Amendment to Employment Agreement between Zebra Technologies Corporation and executive officers. +
10.15	(9)	Amended and Restated Employment Agreement between Zebra Technologies Corporation and Anders Gustafsson dated as of May 6, 2010. +
10.16	(9)	Letter Agreement between Zebra Technologies Corporation and Anders Gustafsson dated as of May 6, 2010. +
10.17	(9)	Form of 2010-2011 time-vested stock appreciation rights agreement for employees other than CEO. +
10.18	(6)	Form of 2012 time-vested stock appreciation rights agreement for employees other than CEO. +
10.19	(16)	Form of 2013-16 time-vested stock appreciation rights agreement for employees other than CEO. +
10.20	(19)	Form of 2017 time-vested stock appreciation rights agreement for employees other than CEO. +
10.21	(9)	Form of 2010 time-vested stock appreciation rights agreement for CEO. +
10.22	(6)	Form of 2011-12 time-vested stock appreciation rights agreement for CEO. +
10.23	(16)	Form of 2013-16 time-vested stock appreciation rights agreement for CEO. +
10.24	(19)	Form of 2017 time-vested stock appreciation rights agreement for CEO. +
10.25	(9)	Form of 2009 time-vested stock appreciation rights agreement for non-employee directors. +
10.26	(9)	Form of 2010 time-vested stock appreciation rights agreement for non-employee directors. +
10.27	(1)	Form of 2011 time-vested stock appreciation rights agreement for non-employee directors. +
10.28	(6)	Form of 2012 time-vested stock appreciation rights agreement for non-employee directors. +
10.29	(2)	Form of 2015-2017 time-vested restricted stock agreement for employees other than CEO. +
10.30	(14)	Form of 2015-2017 performance-vested equity agreement for employees other than CEO. +
10.31	(16)	Form of 2015-17 time-vested restricted stock agreement for CEO. +
10.32	(14)	Form of 2015-2017 performance-vested equity agreement for CEO. +
10.33	(17)	Amended and Restated Credit Agreement, dated July 26, 2017 (originally dated as of October 27, 2014), by and among Zebra, the lenders and issuing banks party thereto, JPMorgan Chase Bank, N.A., and Morgan Stanley Senior Funding, Inc.

10.34	Office Lease dated November 14, 2013 between Griffin Capital Corporation (as assignee from Northwestern Mutual Life Insurance Company) and Zebra Technologies Corporation*
10.35	First Amendment to Lease dated June 6, 2014 between Griffin Capital Corporation (as assignee from Northwestern Mutual Life Insurance Company) and Zebra Technologies Corporation*
10.36	Receivables Purchase Agreement dated as of December 1, 2017 among Zebra Technologies International, LLC, as the Originator, and Zebra Technologies RSC, LLC, as Buyer*
10.37	Receivables Financing Agreement, dated as of December 1, 2017, by and among Zebra Technologies RSC, LLC, the lenders from time to time party thereto, PNC Bank, National Association, Zebra Technologies, LLC, and PNC Capital Markets, LLC*
21.1	Subsidiaries of the Company. *
23.1	Consent of Ernst & Young LLP, independent registered public accounting firm. *
31.1	Certification pursuant to Rule 13a-14(a)/15d-14(a). *
31.2	Certification pursuant to Rule 13a-14(a)/15d-14(a). *
32.1	Certification Pursuant to 18 U.S.C Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
32.2	Certification Pursuant to 18 U.S.C Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
101	The following financial information from Zebra Technologies Corporation Annual Report on Form 10-K/A, for the year ended December 31, 2015, formatted in XBRL (Extensible Business Reporting Language): (i) the consolidated balance sheets; (ii) the consolidated statements of earnings (loss); (iii) the consolidated statements of comprehensive income (loss); (iv) the consolidated statements of stockholders equity; (v) the consolidated statements of cash flows; and (vi) notes to consolidated financial statements.

(1) Incorporated by reference from Current Report on Form 8-K dated May 19, 2011.
(2) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended March 29, 2014.
(3) Incorporated by reference from Current Report on Form 8-K dated August 1, 2012.
(4) Incorporated by reference from Current Report on Form 8-K dated January 5, 2009.
(5) Incorporated by reference from Current Report on Form 8-K filed on December 17, 2007.
(6) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended June 30, 2012.
(7) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended October 2, 2010.
(8) Incorporated by reference from Current Report on Form 8-K filed on May 15, 2006.
(9) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended April 3, 2010.
(10) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended March 29, 2008.
(11) Incorporated by reference from Current Report on Form 8-K filed on May 29, 2008.
(12) Incorporated by reference from Current Report on Form 8-K filed on December 8, 2008.
(13) Incorporated by reference from Current Report on Form 8-K dated January 7, 2013.
(14) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended July 4, 2015.
(15) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended June 28, 2014.
(16) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended March 30, 2013.
(17) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended July 1, 2017
(18) Incorporated by reference from Annual Report on Form 10-K for the year ended December 31, 2016
(19) Incorporated by reference from Quarterly Report on Form 10-Q for the quarter ended April 1, 2017
+ Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Annual Report on Form 10-K.
* Included with this Annual Report on this Form 10-K.

Exhibit 4.1



Exhibit 4.1

ZEBRA TECHNOLOGIES CORPORATION

Zebra Technologies Corporation will furnish without charge to each stockholder who so requests, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such information may be obtained from the Secretary of the Corporation.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT	— _____ Custodian _____ (Cust) (Minor) under Uniform Gifts to Minors Act _____ (State)
TEN ENT	— as tenants by the entireties		
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

For value received, _____ *hereby sell, assign and transfer unto*

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

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

_____

_____ *Shares of the Common Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint* _____

_____

Attorney to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

Dated, _____

_____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATEVER.

This certificate also evidences and entitles the holder hereof to certain rights as set forth in a Rights Agreement between Zebra Technologies Corporation and Mellon Investor Services LLC dated as of March 14, 2002 (the "Rights Agreement"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of Zebra Technologies Corporation. Under certain circumstances, as set forth in the Rights Agreement, such Rights will be evidenced by separate certificates and will no longer be evidenced by this certificate. Zebra Technologies Corporation will mail to the holder of this certificate a copy of the Rights Agreement, without charge, after receipt of a written request therefor. As described in the Rights Agreement, Rights issued to any Person who becomes an Acquiring Person or any Associate or Affiliate thereof (as such terms are defined in the Rights Agreement) shall become null and void.

Zebra Technologies Corporation
2015 Long-Term Incentive Plan

Section 1
Establishment and Purpose

1.1. Establishment . This Plan shall be submitted to the stockholders of Zebra Technologies Corporation, a Delaware corporation (" Zebra ") for approval at the 2015 annual meeting of stockholders and, if approved by majority of the votes cast affirmatively or negatively by the holders of the shares of Class A Common Stock, par value $0.01 per share, of Zebra (" Common Stock ") present in person or represented by proxy at such meeting, shall become effective on the date of such approval. The Plan shall terminate on the tenth anniversary of the effective date of the Plan, unless terminated earlier by the Board. Termination of the Plan shall not affect the terms or conditions of any Award granted prior to termination. In the event that the Plan is not approved by the stockholders of Zebra, the Plan shall be null and void. The Plan supersedes and replaces the Zebra Technologies Corporation 2011 Long-Term Compensation Plan (the " Prior Plan "), except that the Prior Plan shall remain in effect with respect to outstanding awards under the Prior Plan until such awards have been exercised, forfeited, canceled, expired or otherwise terminated in accordance with their terms.

1.2 . Purposes . The purposes of the Plan are to align participants' long-term compensation with the interests of Zebra and its stockholders and to attract, retain, motivate and reward key personnel. To accomplish the foregoing, the Plan provides that Zebra may grant Incentive Stock Options, Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Awards, Performance Shares or Performance Units.

Section 2
Definitions

2.1. " **Award "** means, individually or collectively, a grant under the Plan of Incentive Stock Options, Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Awards, Performance Shares or Performance Units.

2.2. " Award Agreement " means either: (a) a written or electronic agreement between Zebra and a Participant that sets forth the terms and conditions of an Award, and is a condition to the grant of an Award or (b) a written or electronic statement issued by Zebra describing the terms and conditions of an Award.

2.3. " Board " means the Board of Directors of Zebra.

2.4. " Cause " means, unless otherwise provided for in the Award Agreement, as determined by Zebra, in its sole discretion, termination of the Participant's employment with Zebra and its

Subsidiaries because of the Participant's: (a) material breach of an Award Agreement or of any other agreement to which the Participant and Zebra or a Subsidiary are parties, as determined by Zebra in good faith; (b) material violation of Zebra policy, regardless of whether within or outside of his or her authority; (c) willful or intentional misconduct, gross negligence, or dishonest, fraudulent, or unethical behavior, or other conduct involving serious moral turpitude, in the performance of Participant's duties; (d) dishonesty, theft or conviction of any crime or offense involving money or property of Zebra or any Subsidiary; (e) breach of any fiduciary duty owing to Zebra or any Subsidiary; (f) unauthorized disclosure or dissemination of confidential information; or (g) conduct that is, or could reasonably be expected to be, materially harmful to Zebra or any of its Subsidiaries, as determined by Zebra in good faith.

2.5. " Change in Control " means, unless the Committee provides otherwise in the Award Agreement, the occurrence of any of the following events:

(a) the acquisition by any individual, entity or group (a " Person "), including any "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of 35% or more of either (i) the then outstanding shares of Common Stock (the " Outstanding Common Stock ") or (ii) the combined voting power of the then outstanding securities of Zebra entitled to vote generally in the election of directors (the " Outstanding Voting Securities "); excluding , however , the following: (A) any acquisition directly from Zebra (excluding any acquisition resulting from the exercise of an exercise, conversion or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from Zebra), (B) any acquisition by Zebra, (C) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by Zebra or any corporation controlled by Zebra or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2.5; provided , further , that for purposes of clause (B), if any Person (other than Zebra or any employee benefit plan (or related trust) sponsored or maintained by Zebra or any corporation controlled by Zebra) shall become the beneficial owner of 35% or more of the Outstanding Common Stock or 35% or more of the Outstanding Voting Securities by reason of an acquisition by Zebra, and such Person shall, after such acquisition by Zebra, become the beneficial owner of any additional shares of the Outstanding Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(b) individuals who, as of the date hereof, constitute the Board (the " Incumbent Board ") cease for any reason to constitute at least a majority of such Board; provided , that any individual who becomes a director of Zebra subsequent to the date hereof whose election, or nomination for election by Zebra's stockholders, was approved by the vote of at least two-thirds of the directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided , further , that any individual who was initially elected as a director of Zebra as a result of an actual or threatened solicitation by a Person other than the Board for the purpose of opposing a solicitation by any other Person with respect to the election or removal of directors, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board or who was initially elected as a director of Zebra and whose election was opposed by the Incumbent Board;

(c) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of Zebra (a " Corporate Transaction "); excluding , however , a Corporate Transaction pursuant to which (i) all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Common Stock and the Outstanding Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Corporate Transaction (including, without limitation, an entity which as a result of such transaction owns Zebra or all or substantially all of Zebra's assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Common Stock and the Outstanding Voting Securities, as the case may be, (ii) no Person (other than: Zebra; any employee benefit plan (or related trust) sponsored or maintained by Zebra or any entity controlled by Zebra; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, 35% or more of the Outstanding Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, 35% or more of, respectively, the outstanding shares of common stock of the entity resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors (or similar body) of the entity resulting from such Corporate Transaction; or

(d) the consummation of a plan of complete liquidation or dissolution of Zebra.

2.6. " Code " means the Internal Revenue Code of 1986, as amended.

2.7. " Common Stock " has the meaning set forth in Section 1.1.

2.8. " Committee " means the Compensation Committee of the Board.

2.9. " Director " means any individual who is a member of the Board.

2.10. " Disability " means, unless otherwise provided for in the Award Agreement, (i) in the case of an Employee, the Employee qualifying for long-term disability benefits under any long-term disability program sponsored by Zebra or a Subsidiary in which the Employee participates and (ii) in the case of a Director or consultant, the inability of the Director or consultant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by Zebra, based upon medical evidence.

2.11. " Employee " means any employee of Zebra or any Subsidiary.

2.12. **" Exchange Act "** means the Securities Exchange Act of 1934, as amended.

2.13. **" Fair Market Value "** means the closing price of the Shares on a national securities exchange on the date as of which such value is being determined or, if there shall be no reported transactions for such date, on the next preceding date for which transactions were reported; provided , however , that Fair Market Value may be determined by Zebra by whatever means or method as Zebra, in the good faith exercise of its discretion, shall at such time deem appropriate; provided , further , that no method of determining Fair Market Value will be used with respect to an Option or SAR if such method would cause the Option or SAR to constitute a form of nonqualified deferred compensation subject to Section 409A of the Code.

2.14. **" Good Reason "** means, unless otherwise provided for in the Award Agreement, termination of the Participant's employment with Zebra and its Subsidiaries because of resignation by the Participant for any of the following reasons: (a) a demotion of the Participant to a lesser position (including a material diminution in the status of the Participant's responsibilities, authorities, powers or duties taken as a whole) or assignment to the Participant of any duties materially inconsistent with the status and responsibilities of the Participant's position; (b) a material breach of any provision of the Participant's employment agreement, if any, by Zebra or its Subsidiaries and Zebra's failure to cure such breach within fifteen (15) business days after receipt of written notice from the Participant to the Chief Administrative Officer or other person responsible for Human Resources specifying in reasonable detail the nature of the breach; or (c) a decrease in base salary at the rate in effect on the date of grant of the Award, but only if the Participant terminates his or her employment within ten (10) business days after the effective date of the decrease. If the Participant fails to terminate his or her employment within ten (10) business days after the effective date of a decrease, a termination shall not constitute termination of employment by the Participant for Good Reason.

2.15. **" Incentive Stock Option "** or **" ISO "** means a right to purchase Shares pursuant to terms and conditions that provide that such right will be treated as an incentive stock option within the meaning of Section 422 of the Code.

2.16. **" Incumbent Board "** has the meaning set forth in Section 2.5(b).

2.17. " **Non-Tandem SAR** " means an SAR which is not granted in tandem with, or by reference to, an Option, which entitles the holder thereof to receive, upon exercise, Shares (which may be Restricted Stock or RSUs), cash or a combination thereof with an aggregate value equal to the excess of the Fair Market Value of one Share on the date of exercise over the base price of such SAR, multiplied by the number of such SARs which are exercised.

2.18. **" Nonqualified Stock Option "** or **" NQSO "** means a right to purchase Shares which is not an Incentive Stock Option.

2.19. **" Option "** means an Incentive Stock Option or a Nonqualified Stock Option.

2.20. " Option Price " means the per share purchase price of a Share pursuant to an Option.

2.21. " Outstanding Common Stock " has the meaning set forth in Section 2.5(a).

2.22. " Outstanding Voting Securities " has the meaning set forth in Section 2.5(a).

2.23. " Participant " means an Employee, Director or consultant who holds an outstanding Award under the Plan, and includes former Employees, Directors or consultants who have certain post-termination rights pursuant to an Award.

2.24. " Performance Award " means a right, contingent upon the attainment of Performance Target(s) with respect to one or more Performance Goals within a Performance Period, to receive an amount in cash that has an initial value specified in the Award Agreement.

2.25. " Performance Goal " means one or more goals or measures established by the Committee with a related Performance Target for a Performance Period; provided , that for an executive officer, the goals or measures shall be established pursuant to Section 9.1 of the Plan.

2.26. " Performance Period " means the time period during which Performance Targets must be achieved with respect to an Award.

2.27. " Performance Target " means, with respect to a Performance Goal, the target(s) established by the Committee for a Performance Period; provided , that for an executive officer, the target(s) shall be established pursuant to Section 9.1 of the Plan.

2.28. " Performance-Based Exception " means the exception for performance-based compensation from the tax deductibility limitations of Section 162(m) of the Code.

2.29. " Performance Share " means a right, contingent upon the attainment of Performance Target(s) with respect to one or more Performance Goals within a Performance Period, to receive one Share (which may be Restricted Stock or RSUs), or in lieu of all or a portion thereof, the Fair Market Value of a Share in cash.

2.30. " Performance Unit " means a right, contingent upon the attainment of Performance Target(s) with respect to one or more Performance Goals within a Performance Period, to receive an amount that has an initial value equal to the Fair Market Value of a Share on the grant date, which amount may be paid in a Share (which may be Restricted Stock or RSUs), or in lieu of all or a portion thereof, the Fair Market Value of a Share in cash.

2.31. " **Period of Restriction** " means the period during which the Shares of Restricted Stock or RSUs subject to an Award may not be sold, transferred, assigned, pledged, hypothecated or otherwise encumbered or disposed of, as specified in the applicable Award Agreement.

2.32. " Person " has the meaning set forth in Section 2.5(a).

2.33. **" Plan "** means the 2015 Zebra Technologies Corporation Long-Term Incentive Plan.

2.34. **" Prior Plan "** has the meaning set forth in Section 1.1.

2.35. **" Retirement "** has the meaning, if any, set forth in an Award Agreement.

2.36. **" Restricted Stock "** means issued and outstanding Shares that are subject to a Period of Restriction.

2.37. **" Restricted Stock Unit " or " RSU "** means a right to receive one Share, or in lieu of all or a portion thereof, the Fair Market Value of a Share in cash, that is subject to a Period of Restriction.

2.38. **" Share " or " Shares "** means shares of Class A common stock of Zebra, par value $.01.

2.39. **" Stock Appreciation Right " or " SAR "** means a Tandem SAR or a Non-Tandem SAR.

2.40. **" Subsidiary "** means any corporation, partnership, joint venture, affiliate, or other entity in which Zebra is at least a majority-owner of all issued and outstanding equity interests or has a controlling interest.

2.41. " **Tandem SAR** " means an SAR that is granted in tandem with, or by reference to, an Option, which entitles the holder thereof to receive, upon exercise of such SAR and surrender for cancellation of all or a portion of such Option, Shares (which may be Restricted Stock or RSUs), cash or a combination thereof with an aggregate value equal to the excess of the Fair Market Value of one Share on the date of exercise over the base price of such SAR, multiplied by the number of Shares subject to such option, or portion thereof, which is surrendered.

2.42. **" Zebra "** has the meaning set forth in Section 1.1.

Section 3
Administration

3.1. **Plan Administration and Committee Membership .** The Committee shall administer the Plan. The Committee shall consist of not less than two Directors who are both non-employee directors of Zebra within the meaning of Rule 16b-3 of the Exchange Act, and outside directors, as defined in Treasury Regulations §1.162-27; provided, however , that if at any time any member of the Committee is not an outside director, the Committee may establish a subcommittee, consisting of all members who are outside directors, for all purposes of any Award to an executive officer, unless the Committee determines that such an Award is not intended to qualify for the Performance-Based Exception. The foregoing notwithstanding, the Board shall perform the functions of the Committee for purposes of granting Awards to non-employee directors and for approving, after receiving the recommendation of the Committee, awards to the Chief Executive Officer.

3.2. Authority of the Committee. Except as limited by law or by the Certificate of Incorporation or By-laws of Zebra, the Committee shall have full power to select Employees, Directors, and consultants to participate in the Plan; determine the sizes and types of Awards; determine the terms and conditions of Awards, including the form, amount and timing of each Award and, if applicable, the number of Shares, Options, SARs, Restricted Stock, RSUs, Performance Units and Performance Shares subject to an Award, the exercise price or base price associated with the Award, the time and conditions of vesting, exercise or settlement of the Award and all other terms and conditions of the Award, including, without limitation, the form of the Award Agreement; construe and interpret the Plan and any agreement or instrument entered into under the Plan; establish, amend, or waive rules and regulations for the Plan's administration; and amend the terms and conditions of any outstanding Award. The Committee shall, subject to the terms of the Plan, interpret the Plan and the application thereof, establish rules and regulations it deems necessary or desirable for the administration of the Plan and may impose, incidental to the grant of an Award, conditions with respect to the Award, such as limiting competitive employment or other activities. All determinations and decisions made by the Committee and all related orders and resolutions of the Board shall be final, conclusive and binding on all persons, including Zebra, its stockholders, Employees, Participants, and their estates and beneficiaries.

To the extent permitted by applicable law, including, without limitation, Section 157(c) of the General Corporation Law of the State of Delaware, the Committee may delegate some or all of its authority hereunder to the Board or the Chief Executive Officer as the Committee deems appropriate; provided , however , that the Committee may not delegate its power and authority to the Board or the Chief Executive Officer with regard to an executive officer or who, in the Committee's judgment, is likely to be an executive officer at any time during the period an Award to such officer would be outstanding or (ii) delegate its power and authority to the Chief Executive Officer with regard to the selection for participation in the Plan of an officer or other person subject to Section 16 of the Exchange Act or decisions concerning the timing, pricing or amount of an Award to such an officer or other person.

Section 4
Shares Subject to the Plan and Maximum Awards

4.1. Shares Available for Awards .

(a) The Shares available for Awards may be either authorized and unissued Shares or Shares issued and re-acquired by Zebra. The aggregate number of Shares that may be issued or used for reference purposes under the Plan or with respect to which Awards may be granted shall not exceed 4,000,000 Shares, subject to adjustment as provided in Section 4.3.

(b) In the case of any Award granted in substitution for an award of a company or business acquired by Zebra or a Subsidiary, Shares issued or issuable in connection with such substitute Award shall not be counted against the number of Shares reserved under the Plan, but shall be available under

the Plan by virtue of Zebra's assumption of the plan or arrangement of the acquired company or business.

4.2. Individual Participant Limitations. Unless and until the Committee determines that an Award to an executive officer is not intended to qualify for the Performance-Based Exception, the following rules shall apply to grants of such Awards under the Plan:

(a) Subject to adjustment as provided in Section 4.3, the maximum aggregate number of Shares (including Options, SARs, Restricted Stock, RSUs, Performance Units and Performance Shares to be paid out in Shares) that may be granted in any one fiscal year to a Participant shall be 500,000.

(b) The maximum aggregate cash payout (including Performance Awards, Performance Units and Performance Shares paid out in cash) with respect to Awards granted in any one fiscal year that may be made to any Participant shall be $8,000,000.

4.3. Adjustments in Authorized Shares. In the event of any stock split, stock dividend, recapitalization, reorganization, merger, consolidation, combination, exchange of shares, liquidation, spin-off or other similar change in capitalization or event, or any distribution to holders of Shares other than a regular cash dividend, the number and class of securities available under the Plan, the maximum number of securities available for Awards, the number and class of securities subject to each outstanding Award and, if applicable, the purchase price per security, the maximum number of securities with respect to which Awards may be granted during any calendar year to any person, the terms of each outstanding Award shall be appropriately adjusted by the Committee, such adjustments to be made in the case of outstanding Options and SARs without an increase in the aggregate purchase price or base price. The decision of the Committee regarding any such adjustment shall be final, conclusive and binding. If any such adjustment would result in a fractional security being (a) available under the Plan, such fractional security shall be disregarded, or (b) subject to an award under the Plan, Zebra shall pay the holder of such Award, in connection with the first vesting, exercise or settlement of such Award in whole or in part occurring after such adjustment, an amount in cash determined by multiplying (i) the fraction of such security (rounded to the nearest hundredth) by (ii) the excess, if any, of (A) the Fair Market Value on the vesting, exercise or settlement date over (B) the exercise or base price, if any, of such Award.

Section 5
Eligibility and Participation

5.1. Eligibility. Persons eligible to participate in the Plan include current and future Employees (including officers), Directors and consultants of Zebra and its Subsidiaries, as determined by the Committee.

5.2. Participation. Subject to the provisions of the Plan, the Committee shall determine and designate, from time to time, the Employees, Directors and consultants of Zebra and any Subsidiary to whom Awards shall be granted.

Section 6
Stock Options and Stock Appreciation Rights

6.1. Grants of Options and SARs . Options and SARs may be granted to one or more Participants in such number, upon such terms and conditions, and at any time and from time to time, as determined by the Committee, in its sole discretion. Each Option, or portion thereof, that is not an ISO shall be an NQSO. An ISO may not be granted to any person who is not an employee of Zebra or any parent or subsidiary (as defined in Section 424 of the Code). Each ISO shall be granted within ten years of the date the Plan is adopted by the Board. To the extent that the aggregate Fair Market Value (determined as of the date of grant) of Shares with respect to which Options designated as ISOs are exercisable for the first time by a Participant during any calendar year (under the Plan or any other plan of Zebra, or any parent or subsidiary as defined in Section 424 of the Code) exceeds the amount established by the Code, such Options shall constitute NQSOs. Non-Tandem SARs, Tandem SARs, or any combination of these forms of SARs may be granted.

6.2. Option Price and Base Price . The Award Agreement shall set forth the Option Price or base price for each Option or SAR; provided, that the Option Price shall not be less than 100% of the Fair Market Value on the grant date, and which Option Price may not be subsequently changed by the Committee except pursuant to Section 4.3. With respect to a Participant who owns, directly or indirectly, more than 10% of the total combined voting power of all classes of the stock of Zebra or any Subsidiary, the Option Price of Shares subject to an ISO shall be at least 110% of the Fair Market Value of such Shares on the ISO's grant date.

6.3. Term . Each Option or SAR granted to a Participant shall expire at such time as set forth in the Award Agreement, but in no event shall be exercisable later than the 10th anniversary of the grant date. Notwithstanding the foregoing, with respect to ISOs, in the case of a Participant who owns, directly or indirectly, more than 10% of the total combined voting power of all classes of the stock of Zebra or any Subsidiary, no such ISO shall be exercisable later than the fifth anniversary of the grant date.

6.4. Exercise of Options and SARs . Options and SARs shall be exercisable, in whole or in part, at such times and be subject to such restrictions and conditions as set forth in the Award Agreement, which need not be the same for each Award or for each Participant. Options and SARs shall be exercised by the delivery of a written, electronic or other notice of exercise to Zebra, setting forth the number of Shares with respect to which the Option or SAR is to be exercised, accompanied in the case of Options by full payment for the Shares as set forth in Section 6.7. The payment by Zebra to the Participant upon an SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof, as set forth in the Award Agreement. If an Award Agreement does not specify the time or times at which the Option or SAR shall become exercisable, the Option or SAR shall become exercisable by the Participant (i) to a maximum cumulative extent of one-third of the Shares or SARs (rounded down to the nearest whole) covered by the Option or SAR on the first anniversary of the grant date, and (ii) to a maximum cumulative extent of two-thirds of the Shares or SARs (rounded down to the nearest whole) covered by the Option or SAR on the second anniversary of the grant date, and (iii) to a maximum

cumulative extent of 100% of the Shares or SARs covered by the Option or SAR on the third anniversary of the grant date.

6.5. Exercise of Tandem SARs . Tandem SARs may be exercised for all or part of the Shares subject to the related Option upon the surrender of the right to exercise the equivalent portion of the related Option. A Tandem SAR may be exercised only with respect to the Shares for which its related Option is then exercisable. Notwithstanding any other provision of the Plan to the contrary, with respect to a Tandem SAR granted in connection with an ISO: (i) the Tandem SAR will expire no later than the expiration of the underlying ISO; (ii) the value of the payout with respect to the Tandem SAR may be for no more than one hundred percent (100%) of the difference between the Option Price of the underlying ISO and the Fair Market Value of the Shares subject to the underlying ISO at the time the Tandem SAR is exercise; and (iii) the Tandem SAR may be exercised only when the Fair Market Value of the Shares subject to the ISO exceeds the Option Price of the ISO.

6.6. Exercise of Non-Tandem SARs . SARs may be exercised upon the terms and conditions set forth in the Award Agreement. Upon exercise, a Participant shall be entitled to receive payment from Zebra in an amount determined by multiplying (a) the excess of the Fair Market Value of a Share on the date of exercise over the base price by (b) the number of Shares with respect to which the SAR is exercised.

6.7. Option Price Payment . The Option Price upon exercise of any Option shall be payable to Zebra in full either: (a) in cash, (b) by tendering previously acquired Shares having an aggregate Fair Market Value at the time of exercise equal to the total Option Price, (c) a combination (i) and (ii), or (d) in cash by a broker-dealer acceptable to Zebra to whom the holder of the Option has submitted an irrevocable notice of exercise.

Any fraction of a Share which would be required to pay the Option Price shall be disregarded and the remaining amount due shall be paid in cash. No book-entry record or certificate representing Shares shall be made or delivered until the full Option Price and any withholding taxes have been paid (or arrangement made for such payment to Zebra's satisfaction).

6.8. Termination of Employment, Service as a Director, or Consulting Arrangement . The Award Agreement shall set forth the extent to which a Participant shall have the right to exercise the Option or SAR following termination of employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries. Such provisions need not be uniform among Options or SARs, and may reflect distinctions based on the reasons for such termination, including, but not limited to, termination for Cause or Good Reason, or reasons relating to the breach or threatened breach of restrictive covenants. Subject to Section 9.8, in the event that an Award Agreement does not set forth such provisions, the following provisions shall apply:

(a) *Retirement, Death or Disability* . In the event that a Participant's employment, service as a Director or consulting arrangement with Zebra and/or any Subsidiary terminates by reason of Retirement, death or Disability, to the extent that the Option or SAR is not exercisable, all Shares covered by the Option or SAR shall immediately become fully exercisable and shall remain exercisable

until the earlier of (i) the remainder of the term of the Option or SAR, or (ii) 12 months after the date of termination.

(b) *Termination* for Cause. In the event that a Participant's employment, service as a Director or consulting arrangement with Zebra and/or any Subsidiary terminates for Cause, all Options or SARs shall expire immediately and all rights thereunder shall cease upon termination.

(c) *Other Termination* . In the event that a Participant's employment, service as a Director or consulting arrangement with Zebra terminates for any reason other than Retirement, death, Disability, or for Cause, all then exercisable Options or SARs shall remain exercisable from the date of termination until the earlier of (i) the remainder of the term of the Option or SAR, or (ii) 90 days after the date of termination. Such Options or SARs shall only be exercisable to the extent that they were exercisable as of such termination date and all unexercisable Options or SARs shall be forfeited.

Section 7
Restricted Stock and Restricted Stock Units

7.1. Grant of Restricted Stock and Restricted Stock Units . Restricted Stock Awards and RSU Awards may be granted to one or more Participants in such number, upon such terms and conditions, and at any time and from time to time, as determined by the Committee, in its sole discretion. If no Period of Restriction is set forth in the Award Agreement, the transfer and any other restrictions shall lapse (i) to a maximum cumulative extent of one-third of the Shares or RSUs (rounded to the nearest whole) covered by the Award on the first anniversary of the grant date, (ii) to a maximum cumulative extent of two-thirds of the Shares or RSUs (rounded to the nearest whole) covered by the Award on the second anniversary of the grant date, and (iii) to a maximum cumulative extent of 100% of the Shares or RSUs covered by the Award on the third anniversary of the grant date.

7.2. Restrictions . Subject to Section 9.1, such other conditions and/or restrictions on any Shares of Restricted Stock or RSUs may be imposed as set forth in the Award Agreement, including without limitation, a requirement that Participants pay a purchase price for each Share of Restricted Stock or RSU, restrictions based upon the achievement of Performance Targets with respect to one or more Performance Goals (company-wide, subsidiary-wide, divisional, and/or individual), time-based restrictions on vesting, which may or may not be following the attainment of the Performance Targets, sales restrictions under applicable stockholder agreements or similar agreements, and/or restrictions under applicable federal or state securities laws.

7.3. Voting Rights, Dividends and Other Distributions . Unless otherwise set forth in the Award Agreement, Participants to whom Shares of Restricted Stock have been granted may exercise full voting rights with respect to those Shares during the Period of Restriction and shall be credited with regular cash dividends paid with respect to the underlying Shares while they are so held during the Period of Restriction. The Award Agreement may contain restrictions on the dividends and other distributions.

7.4. Termination of Employment, Service as a Director, or Consulting Arrangement . The Award Agreement shall set forth the extent to which a Participant shall have the right to receive or settle

unvested Shares of Restricted Stock or RSUs following termination of employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries. Such provisions need not be uniform among Restricted Stock Awards and RSU Awards, and may reflect distinctions based on the reasons for termination of employment including, but not limited to, termination of employment for Cause or Good Reason, or reasons relating to the breach or threatened breach of restrictive covenants. Subject to Section 9.8, in the event that an Award Agreement does not set forth such provisions, the following provisions shall apply:

(a) *Retirement, Death or Disability* . In the event that a Participant's employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries is terminated due to Retirement, death or Disability, all Shares of Restricted Stock and RSUs shall immediately become fully vested on the date of termination and any restrictions shall lapse.

(b) *Other Termination* . In the event that a Participant's employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries is terminated for any reason other than Retirement, death or Disability, all Shares of Restricted Stock and RSUs that are unvested at the date of termination shall be forfeited.

Section 8
Performance Awards, Performance Units and Performance Shares

8.1. Grant of Performance Awards, Performance Units and Performance Shares . Performance Awards, Performance Units and Performance Shares may be granted to one or more Participants in such number, upon such terms and conditions, and at any time and from time to time, as determined by the Committee, in its sole discretion.

8.2. Termination of Employment, Service as a Director or Consulting Arrangement . The Award Agreement shall set forth the extent to which the Participant shall have the right to receive payment for Performance Awards, Performance Units and/or Performance Shares following termination of the Participant's employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries. Such provisions need not be uniform among Performance Awards, Performance Unit Awards and Performance Share Awards, and may reflect distinctions based on the reasons for such termination, including, but not limited to, termination for Cause or Good Reason, or reasons relating to the breach or threatened breach of restrictive covenants. Subject to Section 9.8, in the event that an Award Agreement does not set forth such provisions, the following provisions shall apply:

(a) *Retirement, Death or Disability* . In the event that a Participant's employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries is terminated during a Performance Period, or prior to the date of the payment of the Performance Award, Performance Unit and/or Performance Share Award, due to Retirement (except with respect to Awards to executive officers that are intended to qualify for the Performance-Based Exception), death or Disability, the Participant shall receive a prorated payout of the Performance Awards, Performance Units and/or Performance Shares.

(b) *Other Termination.* In the event that a Participant's employment, service as a Director, or consulting arrangement with Zebra and/or its Subsidiaries is terminated during a Performance Period, or prior to the date of the payment of the Performance Award, Performance Unit and/or Performance Share Award, for any reason other than a reason set forth in Section 8.2(a), all Performance Awards, Performance Unit Awards and Performance Share Awards shall be forfeited.

Section 9
General

9.1 Performance Goals . Unless and until the Committee proposes for stockholder vote and stockholders approve a change in the general Performance Goals set forth in this Section 9.1, the attainment of which may determine the degree of payout and/or vesting with respect to Awards to executive officers that are intended to qualify for the Performance-Based Exception, the Performance Goals and Performance Targets to be used for purposes of such grants shall be established by the Committee in writing, shall be objectively measurable and shall be stated in terms of the attainment of specified levels of or percentage changes in any one or more of the following measurements: revenue; primary or fully-diluted earnings per Share; earnings before interest, taxes, depreciation, and/or amortization; adjusted earnings before interest, taxes, depreciation, and/or amortization; pretax income; adjusted pretax income; cash flows from operations; total cash flows; bookings; return on equity; return on invested capital; return on assets; net operating profits after taxes; economic value added; total stockholder return or return on sales; or any individual Performance Goal which is measured solely in terms of quantitative targets related to Zebra or Zebra's business, or any combination thereof. In addition, Performance Goals and Performance Targets may be based on one or more business criteria, one or more business units or divisions of Zebra or the applicable sector, or Zebra as a whole, and if so desired by the Committee, by comparison with a peer group of companies. A Performance Target need not be based upon an increase or positive result under a particular business criterion and could include, for example, maintaining the status quo or limiting economic losses (measured, in each case, by reference to specific business criteria). The Performance Targets for any Performance Period may be measured on an absolute basis or in relation to a peer group or an index.

For each Award intended to qualify for the Performance-Based Exception, the Committee shall establish the applicable Performance Goal(s) and Performance Target(s) for that Award no later than the latest date that the Committee may establish such goals and targets without jeopardizing the ability of the Award to qualify for the Performance-Based Exception.

The degree of payout and/or vesting of such Awards intended to qualify for the Performance-Based Exception shall be determined based upon the written certification of the Committee as to the extent to which the Performance Targets and any other material terms and conditions precedent to such payment and/or vesting have been satisfied. The Committee shall have the sole discretion to adjust the determinations of the degree of attainment of the Performance Targets; provided , however , that the Performance Targets applicable to Awards which are intended to qualify for the Performance-Based Exception, and which are held by executive officers, may not be adjusted so as to increase the payment under the Award (the Committee shall retain the sole discretion to adjust such Performance Targets upward, or to otherwise reduce the amount of the payment and/or vesting of the Award relative to the Performance Targets).

In the event that applicable tax and/or securities laws change to permit Committee sole discretion to alter the governing Performance Goals and Performance Targets without obtaining stockholder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining stockholder approval. Nothing contained herein shall be construed to preclude the Committee from granting awards to executive officers that are not intended to qualify for the Performance-Based Exception.

9.2. Non-Transferability of Awards . All ISOs granted to a Participant shall be exercisable during his or her lifetime only by the Participant. Unless otherwise specified in the Agreement relating to an Award, no Award shall be transferable other than by will, the laws of descent and distribution or pursuant to beneficiary designation procedures approved by Zebra. Except to the extent permitted by the foregoing sentence or the Agreement relating to an Award, each Award may be exercised or settled during the Participant's lifetime only by the Participant or the Participant's legal representative or similar person. Except to the extent permitted by the second preceding sentence or the Agreement relating to an Award, no Award may be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of any such Award, such Award and all rights thereunder shall immediately become null and void.

9.3 Beneficiary Designation . If permitted by Zebra, each Participant under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by Zebra, and will be effective only when filed by the Participant in writing with Zebra's Human Resources Department during the Participant's lifetime. The spouse of a married Participant domiciled in a community property jurisdiction shall join in any designation of a beneficiary other than such spouse. If a Participant fails to designate a beneficiary, or if all designated beneficiaries of a Participant predecease the Participant, then each outstanding Option and SAR hereunder held by such Participant, to the extent exercisable, may be exercised by such Participant's executor, administrator, legal representative or similar person. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

9.4 Deferrals; Compliance with Section 409A . The Committee, in its sole discretion, may include in an Award Agreement provisions that permit a Participant to defer receipt of payment of cash or delivery of Shares that would otherwise be due to such Participant upon the exercise, lapse or waiver of restrictions, or satisfaction of any requirements, goal or target with respect to such Award. Such deferral provisions shall be consistent with Section 409A of the Code and applicable regulations and shall be made in accordance with such terms and conditions as the Committee may establish from time to time or as may be provided in any employment agreement between Zebra and the Participant or in any deferred compensation plan maintained by Zebra.

9.5. No Guarantee of Employment or Service or Right to Participate . Nothing in the Plan shall interfere with or limit in any way the right of Zebra to terminate any Participant's employment or consulting arrangement at any time, nor confer upon any Participant any right to continue in the employ of or consulting arrangement with Zebra or any Subsidiary. Temporary absence from employment because of illness, vacation, approved leaves of absence, and transfers of employment among Zebra and its Subsidiaries, shall not be considered to terminate employment or to interrupt continuous employment. Temporary cessation of the provision of consulting services because of illness, vacation or any other reason approved in advance by Zebra shall not be considered a termination of the consulting arrangement or an interruption of the continuity thereof.

Except as otherwise provided in an Award Agreement, conversion of a Participant's employment relationship to a consulting arrangement, or vice versa, shall not result in termination of previously granted Awards. No Employee, Director or consultant shall have the right to be selected to receive an Award under the Plan, or, having been so selected, to be selected to receive a future Award.

9.6. Right of Setoff; Recoupment . Zebra or any Subsidiary may, to the extent permitted by applicable law and which would not trigger tax under Section 409A of the Code, deduct from and set off against any amounts Zebra or Subsidiary may owe to the Participant from time to time, including amounts payable in connection with any Award, owed as wages, fringe benefits, or other compensation owed to the Participant, such amounts as may be owed by the Participant to Zebra, although the Participant shall remain liable for any part of the Participant's payment obligation not satisfied through such deduction and setoff. By accepting any Award granted hereunder, the Participant agrees to any deduction or setoff under this Section. Any Awards granted under the Plan (including any amounts or benefits arising from such Awards) shall be subject to any applicable "clawback" or other recoupment policies that Zebra has in place from time to time.

9.7 Section 83(b) Election . No election under Section 83(b) of the Code to include in gross income in the year of transfer the amounts specified in Section 83(b) of the Code or under a similar provision of the laws of a jurisdiction outside the United States may be made, unless expressly permitted by the terms of the Award Agreement or by action of the Committee in writing before the making of such election. In any case in which a Participant is permitted to make such an election in connection with an Award, the Participant shall notify Zebra of such election within ten days after filing notice of the election with the Internal Revenue Service or other governmental authority, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) of the Code or other applicable provision.

9.8. Change in Control .

(a) Notwithstanding any provision in the Plan or any Award Agreement, in the event of a Change in Control pursuant to Section 2.5(c) or (d) in connection with which (i) holders of Shares receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Exchange Act (disregarding the payment of cash in lieu of fractional shares) and (ii) outstanding Options, SARs, Restricted Stock Awards and RSU Awards are assumed or provision is made for the continuation of outstanding Options, SARs, Restricted Stock Awards and RSU Awards after the Change

in Control, then, subject to Section 4.3, all outstanding Options, SARs, Restricted Stock Awards and RSU Awards shall continue in accordance with their terms and there shall be substituted for each Share available under the Plan, whether or not then subject to an outstanding Award, the number and class of shares into which each outstanding Share shall be converted pursuant to such Change in Control; provided , however , in the event of any such substitution, the purchase price per share in the case of an Option and the base price in the case of an SAR shall be appropriately adjusted by the Committee (whose determination shall be final, binding and conclusive), such adjustments to be made in the case of outstanding Options and SARs without an increase in the aggregate purchase price or base price; provided , further , that in the event a Participant's employment with Zebra and its Subsidiaries is terminated by the Participant for Good Reason or by Zebra or any Subsidiary without Cause on or after the date of such Change in Control and on or prior to the one-year anniversary date of such Change in Control, then all outstanding Options and SARs held by the Participant under the Plan shall become exercisable in full as of the effective date of the termination of employment and, along with any then unexercised portions of such Options and SARs, shall remain exercisable through the remaining term of such Options and SARs, as applicable, and all outstanding Restricted Stock Awards and RSU Awards held by the Participant under the Plan shall become fully vested as of the effective date of the termination of employment and the remainder of any Period of Restriction relating to such Restricted Stock Awards and RSU Awards shall lapse; provided , further , that upon the occurrence of such Change in Control the Performance Periods applicable to all outstanding Awards shall lapse and the Performance Goals applicable to such Awards shall be deemed to be satisfied at the higher of (A) the amount of such Award that is payable or earned upon satisfaction of the applicable Performance Goals at the target level and (B) the amount that would be accrued under generally accepted accounting principles as of the date of the occurrence of such Change in Control and, along with any then unexercised portion(s) of any such Options and SARs as to which a Performance Period lapses, shall remain exercisable through the remaining terms of such Options and SARs, as applicable.

(b) Notwithstanding any provision in the Plan or any Award Agreement and unless otherwise provided in a Participant's employment or other agreement, in the event of a Change in Control pursuant to Section 2.5(a) or (b), or in the event of a Change in Control pursuant to Section 2.5(c) or (d) in connection with which (i) holders of Shares do not receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Exchange Act or (ii) outstanding Options and SARs are not assumed or provision is not made for the continuation of outstanding Options and SARs after the Change in Control, each outstanding Award shall be surrendered to Zebra by the holder thereof, and each such Award shall immediately be canceled by Zebra, and the holder shall receive, within ten days of the occurrence of such Change in Control, a cash payment from Zebra (or any successor) in an amount equal to (i) in the case of an Option, the number of Shares then subject to such Option, multiplied by the excess, if any, of the greater of (A) the highest per share price offered to Zebra stockholders in any transaction whereby such Change in Control takes place or (B) the Fair Market Value of a Share on the date of occurrence of such Change in Control, over the Option Price per Share

subject to the Option, (ii) in the case of a Non-Tandem SAR, the number of Shares then subject to such SAR, multiplied by the excess, if any, of the greater of (A) the highest price per Share offered to Zebra stockholders in any transaction whereby such Change in Control takes place or (B) the Fair Market Value of a Share on the date of occurrence of such Change in Control, over the base price of the SAR, (iii) in the case of a Restricted Stock Award, RSU Award, Performance Unit Award or Performance Share Award, the number of Shares, number of units or number of Performance Shares, as the case may be, then subject to such Award, multiplied by the greater of (A) the highest per Share price offered to Zebra stockholders in any transaction whereby such Change in Control takes place or (B) the Fair Market Value of a Share on the date of occurrence of such Change in Control, and (iv) in the case of a Performance Award, the higher of (A) the target amount of such Award that is payable upon satisfaction of the applicable Performance Goals at the target level and (B) the amount that would be accrued under generally accepted accounting principles as of the date of the occurrence of such Change in Control. In the event of such Change in Control, each Tandem SAR shall be surrendered by the holder thereof and shall be canceled simultaneously with the cancellation of the related Option. Zebra may, but is not required to, cooperate with any person who is subject to Section 16 of the Exchange Act to assure that any cash payment in accordance with the foregoing to such person is made in compliance with Section 16 and the rules and regulations thereunder.

9.9. Amendment, Modification, and Termination . The Board may amend, suspend or terminate the Plan or the Committee's authority to grant Awards without the consent of stockholders or Participants; provided , however , that any amendment to the Plan shall be submitted to Zebra's stockholders for approval not later than the earliest annual meeting for which the record date is after the date of such Board action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange on which the Shares may then be listed or quoted and the Board may otherwise, in its sole discretion, determine to submit other amendments to the Plan to stockholders for approval; and provided , further , that, without the consent of an affected Participant, no Board or Committee action may materially and adversely affect the rights of such Participant under any outstanding Award, unless such action is determined by the Board or Committee in good faith to be necessary to comply with any applicable law, regulation or rule (including Section 409A of the Code). Subject to the preceding sentence, the Committee may waive or modify any term of an Award to the extent that the terms of the Award Agreement, taking the waiver or modification into account, would have been permissible if included in the original Award Agreement, but shall have no authority to waive or modify any other Award term after the Award has been granted to the extent that the waived or modified term was mandatory under the Plan.

9.10. Tax Withholding . Zebra shall have the power and the right to deduct or withhold, or require a Participant to remit to Zebra, an amount sufficient to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan. With respect to withholding required upon the exercise of Options or SARs, upon the lapse of restrictions on Restricted Stock or RSUs, upon the satisfaction of Performance Targets, or upon any other taxable event arising as a result of Awards granted hereunder, Participants may elect, subject to the approval of Zebra, to satisfy the withholding requirement, in whole or in part, by having Zebra withhold Shares having a Fair Market Value on the date the tax is to be determined in

an amount that does not exceed the minimum statutory total tax which would be imposed on the transaction. All such elections shall be irrevocable, made in writing, signed by the Participant, and shall be subject to any restrictions or limitations that Zebra deems appropriate.

9.11. Unfunded Plan . The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant or obligation to deliver Shares pursuant to an Award, nothing contained in the Plan or any Award shall give any such Participant any rights that are greater than those of a general creditor of Zebra; provided, however , that the Committee may authorize the creation of trusts and deposit therein cash, Shares, other Awards or other property, or make other arrangements to meet Zebra's obligations under the Plan. Such trusts or other arrangements shall be consistent with the "unfunded" status of the Plan unless the Committee otherwise determines with the consent of each affected Participant.

9.12 Forfeitures; Fractional Shares . Unless otherwise determined by Zebra, in the event of a forfeiture of an Award with respect to which a Participant paid cash consideration, the Participant shall be repaid the amount of such cash consideration. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award. Zebra shall determine whether cash, other Awards or other property shall be issued or paid in lieu of such fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

9.13. No Repricing of Options or Stock Appreciation Rights . Notwithstanding anything in this Plan to the contrary and subject to Section 4.3, the terms of outstanding Options or SARs may not be amended to reduce the exercise price or base price, as the case may be, and no Option or SAR shall be canceled in exchange for cash, other Awards or Options or SARs with an exercise price or base price that is less than the exercise price or base price of the original Option or SAR without the approval of a majority of the votes cast affirmatively or negatively by the holders of the Shares present in person or represented by proxy at a meeting in which the reduction of such exercise price or base price, or the cancellation and regranting of an Award, as the case may be, is considered for approval.

9.14. Compliance with Section 162(m) of the Code . Zebra intends that Options, SARs and other Awards granted to executive officers who constitute covered employees under Section 162(m) of the Code shall satisfy the requirements of the Performance-Based Exception, unless otherwise determined by the Committee when the Award is granted. Accordingly, the Plan and Award Agreements shall be interpreted in a manner consistent with Section 162(m) of the Code and regulations thereunder. If any provision of the Plan or any Award Agreement designated as intended to satisfy the Performance-Based Exception does not comply or is inconsistent with the requirements of Section 162(m) of the Code or regulations thereunder, such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee or any other person sole discretion to increase the amount of compensation otherwise payable in connection with any such Award upon attainment of the applicable Performance Goals. With respect to any Option, SAR, or other Award designed to be exempt from the requirements of Section 409A of the Code, Zebra reserves the right to delay a Participant's exercise or the lapse or satisfaction of restrictions of such Award if Zebra reasonably determines that issuance or payment under the Award would not be deductible by reason of Section 162(m) of the Code. With respect to any other Award,

payment of any amount that Zebra reasonably determines would not be deductible by reason of Section 162(m) of the Code shall be deferred until the earlier of the earliest date on which Zebra reasonably determines that the deductibility of the payment will not be so limited, or the year following the termination of employment.

9.15. Awards to Participants Outside the United States . The Committee may modify the terms of any Award made to or held by a Participant who is then resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that such Award shall conform to laws, regulations, and customs of the country in which the Participant is then resident or primarily employed, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions, applicable as a result of the Participant's residence or employment abroad shall be comparable to the value of such an Award to a Participant who is resident or primarily employed in the United States. An Award may be modified under this Section in a manner that is inconsistent with the express terms of the Plan, so long as such modifications will not contravene any applicable law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Award is modified.

9.16. Successors . All obligations of Zebra under the Plan with respect to Awards shall be binding on any successor to Zebra, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of Zebra or otherwise.

9.17. Governing Law; Venue . To the extent not preempted by federal law, the Plan, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of Delaware without giving effect to principles of conflicts of laws. Any dispute, controversy or claim arising out of or relating to the Plan or any award under the Plan shall be brought only in a court of competent jurisdiction in the United States District Court for the Northern District of Illinois, and no other court, agency or tribunal shall have jurisdiction to resolve any such dispute, controversy or claim.

9.18. Incapacity of Recipient . If the Committee is served with a court order holding that a person entitled to a distribution under the Plan is incapable of personally receiving and giving a valid receipt for such distribution, the Committee shall postpone payment until such time as a claim therefore shall have been made by a duly appointed guardian or other legal representative of such person. The Committee is under no obligation to inquire or investigate as to the competency of any person entitled to a distribution. Any payment to an appointed guardian or other legal representative under this Section shall be a payment for the account of the incapacitated person and a complete discharge of any liability of Zebra and the Plan therefor.

9.19. Other Plans . Nothing contained in the Plan shall prevent the Committee or Zebra from adopting other non-stockholder approved plans, policies and arrangements for granting incentives and other compensation to employees of the Company and its Subsidiaries or adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applic7able or applicable only in specific cases.

Exhibit 10.12

Zebra Technologies Corporation
2015 Short-Term Incentive Plan

Section 1
Establishment and Purpose

1.1. **Establishment** . This Plan shall be submitted to the stockholders of Zebra Technologies Corporation, a Delaware corporation (" Zebra ") for approval at the 2015 annual meeting of stockholders and, if approved by majority of the votes cast affirmatively or negatively by the holders of the shares of Class A Common Stock, par value $0.01 per share, of Zebra present in person or represented by proxy at such meeting, shall become effective on the date of such approval. The Plan shall apply to awards made on or after January 1, 2016. Incentive compensation awards made pursuant to the Zebra Technologies Corporation 2011 Short-Term Incentive Plan shall be governed by the terms of that plan.

1.2. **Purpose** . The purpose of the Plan is provide incentive to attract, retain, motivate and reward key employees of Zebra and its Subsidiaries to enhance and grow the business by rewarding performance for attaining a specific set of company-wide, departmental, individual and other Performance Targets that satisfy the requirements of Section 162(m) of the Internal Revenue Code to the extent so determined by the Compensation Committee of the Board of Directors of Zebra.

Section 2
Definitions

2.1. **" Board "** means the Board of Directors of Zebra.

2.2. **" Cause "** means unless otherwise provided for in an Incentive Award, as determined by Zebra, in its sole discretion, termination of the Participant's employment with Zebra and its Subsidiaries because of the Participant's: (a) material breach of any agreement to which the Participant and Zebra or a Subsidiary are parties, as determined by Zebra in good faith; (b) material violation of Zebra policy, regardless of whether within or outside of his or her authority; (c) willful or intentional misconduct, gross negligence, or dishonest, fraudulent, or unethical behavior, or other conduct involving serious moral turpitude, in the performance of Participant's duties; (d) dishonesty, theft or conviction of any crime or offense involving money or property of Zebra or any Subsidiary; (e) breach of any fiduciary duty owing to Zebra or any Subsidiary; (f) unauthorized disclosure or dissemination of confidential information; or (g) conduct that is, or could reasonably be expected to be, materially harmful to Zebra or any of its Subsidiaries , as determined by Zebra in good faith.

2.3. **" Change in Control "** means, unless the Committee provides otherwise in the Incentive Award, the occurrence of any of the following events:

(a) the acquisition by any individual, entity or group (a " Person "), including any "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the Exchange Act "), of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of 35% or more of either (i) the then outstanding shares of Common Stock (the " Outstanding Common Stock ") or (ii) the combined voting power of the then outstanding securities of Zebra entitled to vote generally in the election of directors (the " Outstanding Voting Securities "); excluding , however , the following: (A) any acquisition directly from Zebra (excluding any acquisition resulting from the exercise of an exercise, conversion or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from Zebra), (B) any acquisition by Zebra, (C) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by Zebra or any corporation controlled by Zebra or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2.5; provided , further , that for purposes of clause (B), if any Person (other than Zebra or any employee benefit plan (or related trust) sponsored or maintained by Zebra or any corporation controlled by Zebra) shall become the beneficial owner of 35% or more of the Outstanding Common Stock or 35% or more of the Outstanding Voting Securities by reason of an acquisition by Zebra, and such Person shall, after such acquisition by Zebra, become the beneficial owner of any additional shares of the Outstanding Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(b) individuals who, as of the date hereof, constitute the Board (the " Incumbent Board ") cease for any reason to constitute at least a majority of such Board; provided , that any individual who becomes a director of Zebra subsequent to the date hereof whose election, or nomination for election by Zebra's stockholders, was approved by the vote of at least two-thirds of the directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided , further , that any individual who was initially elected as a director of Zebra as a result of an actual or threatened solicitation by a Person other than the Board for the purpose of opposing a solicitation by any other Person with respect to the election or removal of directors, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board or who was initially elected as a director of Zebra and whose election was opposed by the Incumbent Board;

(c) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of Zebra (a " Corporate Transaction "); excluding , however , a Corporate Transaction pursuant to which (i) all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Common Stock and the Outstanding Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Corporate Transaction (including, without limitation, an entity which as a result of such transaction owns Zebra or all or substantially all of Zebra's assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Common

Stock and the Outstanding Voting Securities, as the case may be, (ii) no Person (other than: Zebra; any employee benefit plan (or related trust) sponsored or maintained by Zebra or any entity controlled by Zebra; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, 35% or more of the Outstanding Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, 35% or more of, respectively, the outstanding shares of common stock of the entity resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors (or similar body) of the entity resulting from such Corporate Transaction; or

(d) the consummation of a plan of complete liquidation or dissolution of Zebra.

2.4. **" Code "** means the Internal Revenue Code of 1986, as amended.

2.5. **" Committee "** means the Compensation Committee of the Board.

2.6. **" Disability "** means, unless otherwise provided by the Committee, the Employee qualifying for long-term disability benefits under any long-term disability program sponsored by Zebra or a Subsidiary in which the Employee participates.

2.7. **" Employee "** means any employee of Zebra or any Subsidiary.

2.8. **" Exchange Act "** means the Securities Exchange Act of 1934, as amended.

2.9. **" Good Reason "** means, unless otherwise provided for in an Incentive Award, termination of the Participant's employment with Zebra and its Subsidiaries because of resignation by the Participant for any of the following reasons: (a) a demotion of the Participant to a lesser position (including a material diminution in the status of the Participant's responsibilities, authorities, powers or duties taken as a whole) or assignment to the Participant of any duties materially inconsistent with the status and responsibilities of the Participant's position; (b) a material breach of any provision of the Participant's employment agreement, if any, by Zebra or its Subsidiaries and Zebra's failure to cure such breach within fifteen (15) business days after receipt of written notice from the Participant to the Chief Administrative Officer or other person responsible for Human Resources specifying in reasonable detail the nature of the breach; or (c) a decrease in base salary at the rate in effect on the date of grant of the Incentive Award, but only if the Participant terminates his or her employment within ten (10) business days after the effective date of the decrease. If the Participant fails to terminate his or her employment within ten (10) business days after the effective date of a decrease, a termination shall not constitute termination of employment by the Participant for Good Reason.

2.10. " **Incentive Award "** means, individually or collectively, the incentive awards made for a fiscal year or shorter period pursuant to the Plan, which may be in the form of a cash bonus payable to a Participant

pursuant to the Plan. For avoidance of doubt, an Incentive Award may take the form of an individual agreement or an incentive plan or program established by the Committee from time to time pursuant to this Plan.

2.11. **" Participant "** means an Employee selected by the Committee for participation in the Plan, and includes former Employees who have certain post-termination rights pursuant to an Incentive Award.

2.12. **" Performance-Based Exception "** means the exception for performance-based compensation from the tax deductibility limitations of Section 162(m) of the Code.

2.13. **" Performance Goal "** means one or more goals or measures established by the Committee with a related Performance Target for a Performance Period; provided that for an executive officer, the goals or measures shall be established pursuant to Section 7.1 of the Plan.

2.14. **" Performance Target "** means, with respect to a Performance Goal, the target(s) established by the Committee for a Performance Period; provided that for an executive officer, the target(s) shall be established pursuant to Section 7.1 of the Plan.

2.15. **" Performance Period "** means the time period during which Performance Targets must be achieved with respect to an Incentive Award.

2.16. **" Plan "** means the 2015 Zebra Technologies Corporation Short-Term Incentive Plan.

2.17. **" Retirement "** has the meaning, if any, set forth in an Incentive Award.

2.18. **" Subsidiary "** means any corporation, partnership, joint venture, affiliate, or other entity in which Zebra is at least a majority-owner of all issued and outstanding equity interests or has a controlling interest.

2.19. **" Zebra "** has the meaning set forth in Section 1.1.

Section 3
Administration

3.1. **Plan Administration and Committee Membership .** The Committee shall administer the Plan. The Committee shall consist of not less than two members of the Board who are both non-employee directors of Zebra within the meaning of Rule 16b-3 of the Exchange Act, and outside directors, as defined in Treasury Regulations §1.162-27; provided, however , that if at any time any member of the Committee is not an outside director, the Committee may establish a subcommittee consisting of all members who are outside directors for all purposes of any Incentive Award to an executive officer, unless the Committee determines that such an Award is not intended to qualify for the Performance-Based Exception.

3.2. Authority of the Committee . Except as limited by law or by the Certificate of Incorporation or By-laws of Zebra, the Committee shall have full power to select Employees to participate in the Plan, and to determine the terms and conditions of Incentive Awards, including the form, amount and timing of each Incentive Award consistent with the Plan. The Committee shall, subject to the terms of the Plan, construe and interpret the Plan and any agreement or instrument entered into under the Plan and the application thereof, establish, amend or waive rules and regulations it deems necessary or desirable for the administration of the Plan and may impose, incidental to the grant of an Incentive Award, conditions with respect to the Incentive Award, such as limiting competitive employment or other activities. All determinations and decisions made by the Committee and all related orders and resolutions of the Board shall be final, conclusive and binding on all persons, including Zebra, its stockholders, Employees, Participants, and their estates and beneficiaries.

To the extent permitted by applicable law, the Committee may delegate some or all of its authority hereunder to the Board or the Chief Executive Officer as the Committee deems appropriate; provided , however , that the Committee may not (i) delegate its power and authority to the Board or the Chief Executive Officer with regard to the grant of an Incentive Award to an executive officer or who, in the Committee's judgment, is likely to be an executive officer at any time during the period an Incentive Award to such officer would be outstanding or (ii) delegate its power and authority to the Chief Executive Officer with regard to the selection for participation in the Plan of an officer or other person subject to Section 16 of the Exchange Act or decisions concerning the timing, pricing or amount of an Incentive Award to such an officer or other person.

Section 4
Maximum Awards

4.1. Individual Participant Limitations . The maximum aggregate cash payout with respect to Incentive Awards granted in any one fiscal year that may be made to any Participant shall be $8,000,000.

Section 5
Eligibility and Participation

5.1. Eligibility . Persons eligible to participate in the Plan are Employees (including officers) of Zebra and its Subsidiaries, as determined by the Committee.

5.2. Participation . Subject to the provisions of the Plan, the Committee shall determine and designate, from time to time, the Employees of Zebra and any Subsidiary to whom Incentive Awards shall be granted.

Section 6
Terms of Incentive Awards

6.1. Grant of Incentive Awards. Incentive Awards may be granted to one or more Participants upon such terms and conditions and at any time and from time to time determined by the Committee, in its sole discretion.

6.2. Performance Measures and Performance Targets. The Committee shall establish the Performance Goals and Performance Targets for the Company and the Participants, as applicable, under each Incentive Award. The Committee may also determine the extent to which each applicable Performance Goal shall be weighted with respect a Participant and/or an Incentive Award.

6.3. Award Levels; Eligibility for Payment. The Committee shall establish for each Participant the amount payable with respect to each Incentive Award at specified levels of performance, based on the Performance Targets for each Performance Period and the weighting established for such criterion, if applicable. All such determinations regarding the achievement of any Performance Targets shall be made by the Committee. Except as otherwise determined by the Committee in its discretion, in order to be eligible for payment in respect of an Incentive Award, a Participant must be an Employee on the last day of the Performance Period or such other date as determined by the Committee for which such Incentive Award is earned.

6.4. Form of Payment. Unless otherwise determined by the Committee and set forth in the Incentive Award, all Incentive Awards shall be payable in cash in a lump sum payment.

6.5. Timing of Payment. Incentive Awards shall be paid promptly following the Committee's determination of whether and the extent to which Performance Targets have been achieved with respect to the Performance Period, but in no event will such Incentive Awards be paid later than December 31 of the year following the Performance Period in which such Incentive Awards are earned; provided, however, that in the case of a Participant whose employment terminates on or before December 31 of a calendar year that falls within a Performance Period, if the Committee determines that such Participant shall be entitled to payment in respect of all or a portion of the Participant's Incentive Award with respect to such Performance Period, then such payment shall be made to such Participant not later than March 15 of the calendar year following the year of termination. Notwithstanding the foregoing provisions of this Section 6.5, the Committee shall have the right to allow Participants to elect to defer the payment of Incentive Awards subject to such terms and conditions as the Committee may determine; provided, however, that each Participant's election to defer the payment of an Incentive Award complies with the terms of the applicable plan or program of Zebra or its Subsidiaries.

6.6. Termination of Employment. The Incentive Award shall set forth the extent to which the Participant shall have the right to receive payment for Incentive Awards following termination of the Participant's employment; provided, however, that with respect to Incentive Awards to executive officers that are intended to qualify for the Performance-Based Exception, such exceptions shall be limited to death, Disability or a Change in Control. Such provisions need not be uniform and may reflect distinctions based on the reasons for such termination, including, but not limited to, termination for Cause or Good Reason, or

reasons relating to the breach or threatened breach of restrictive covenants. Subject to Section 8.5, in the event that an Incentive Award or an employment agreement between Zebra or a Subsidiary and the Participant does not set forth such provisions, the following provisions shall apply:

(a) *Retirement, Death or Disability* . In the event that a Participant's employment with Zebra and/or its Subsidiaries is terminated during a Performance Period, or prior to the date of the payment of the Incentive Award if so provided in the Incentive Award, due to Retirement (except with respect to Incentive Awards to executive officers that are intended to qualify for the Performance-Based Exception), death or Disability, the Participant shall receive a prorated payout of the Incentive Award.

(b) *Other Termination.* In the event that a Participant's employment with Zebra and/or its Subsidiaries is terminated during a Performance Period for any reason other than the reasons set forth in 6.6(a), or prior to the date of the payment of the Incentive Award if so provided in the Incentive Award, the Incentive Award shall be forfeited.

6.7. Tax Withholding . Zebra shall have the power and the right to deduct or withhold, or require a Participant to remit to Zebra, an amount sufficient to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan.

Section 7
Performance Goals

7.1. Performance Goals . Unless and until the Committee proposes for stockholder vote and stockholders approve a change in the general Performance Goals set forth in this Section 7.1, the attainment of which may determine the degree of payout and/or vesting with respect to Incentive Awards to executive officers that are intended to qualify for the Performance-Based Exception, the Performance Goals and Performance Targets to be used for purposes of such grants shall be established by the Committee in writing, shall be objectively measurable and shall be stated in terms of the attainment of specified levels of or percentage changes in any one or more of the following measurements: revenue; primary or fully-diluted earnings per share; earnings before interest, taxes, depreciation, and/or amortization; adjusted earnings before interest, taxes, depreciation, and/or amortization; pretax income; adjusted pretax income; cash flows from operations; total cash flows; bookings; return on equity; return on invested capital; return on assets; net operating profits after taxes; economic value added; total stockholder return or return on sales; or any individual Performance Goal which is measured solely in terms of quantitative targets related to Zebra or Zebra's business; or any combination thereof. In addition, Performance Goals and Performance Targets may be based on one or more business criteria, one or more business units or divisions of Zebra or the applicable sector, or Zebra as a whole, and if so desired by the Committee, by comparison with a peer group of companies. A Performance Target need not be based upon an increase or positive result under a particular business criterion and could include, for example, maintaining the status quo or limiting economic losses (measured, in each case, by reference to

specific business criteria). The Performance Targets for any Performance Period may be measured on an absolute basis or in relation to a peer group or an index.

In the event that applicable tax and/or securities laws change to permit Committee sole discretion to alter the governing Performance Goals and Performance Targets without obtaining stockholder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining stockholder approval. Nothing contained herein shall be construed to preclude the Committee from granting Incentive Awards to executive officers that are not intended to qualify for the Performance-Based Exception.

7.2. Timing of Establishment . For each Incentive Award intended to qualify for the Performance-Based Exception, the Committee shall establish the applicable Performance Goal(s) and Performance Target(s) for that Incentive Award no later than the latest date that the Committee may establish such goals and targets without jeopardizing the ability of the Incentive Award to qualify for the Performance-Based Exception.

7.3. Determination of Payout . The degree of payout and/or vesting of such Incentive Awards intended to qualify for the Performance-Based Exception shall be determined based upon the written certification of the Committee as to the extent to which the Performance Targets and any other material terms and conditions precedent to such payment and/or vesting have been satisfied. The Committee shall have the sole discretion to adjust the determinations of the degree of attainment of the Performance Targets; provided, however , that the Performance Targets applicable to Incentive Awards which are intended to qualify for the Performance-Based Exception, and which are held by executive officers, may not be adjusted so as to increase the payment under the Incentive Award (the Committee shall retain the sole discretion to adjust such Performance Targets upward, or to otherwise reduce the amount of the payment and/or vesting of the Incentive Award relative to the Performance Targets).

Section 8
General

8.1. Beneficiary Designation . If permitted by Zebra, each Participant under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by Zebra, and will be effective only when filed by the Participant in writing with Zebra's Human Resources Department during the Participant's lifetime. The spouse of a married Participant domiciled in a community property jurisdiction shall join in any designation of a beneficiary other than such spouse. If a Participant fails to designate a beneficiary, or if all designated beneficiaries of a Participant predecease the Participant, then the Incentive Award, if any, shall be paid to the Participant's estate. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

8.2. Deferrals; Compliance with Section 409A . A Participant may elect by written notice delivered to the Zebra at the time and in the form required by the Zebra or the Committee to defer payment of all or any

portion of an Incentive Award the Participant might earn with respect to a year, all in accordance with the Section 409A of the Code and applicable regulations and on such terms and conditions as the Committee may establish from time to time or as may be provided in any employment agreement between Zebra and the Participant or in any deferred compensation plan maintained by Zebra.

8.3. No Guarantee of Employment or Right to Participate . Nothing in the Plan shall interfere with or limit in any way the right of Zebra to terminate any Participant's employment at any time, nor confer upon any Participant any right to continue in the employ of Zebra or any Subsidiary. Temporary absence from employment because of illness, vacation, approved leaves of absence, and transfers of employment among Zebra and its Subsidiaries, shall not be considered to terminate employment or to interrupt continuous employment. No Employee shall have the right to be selected to receive an Incentive Award under the Plan, or, having been so selected, to be selected to receive a future Incentive Award.

8.4. Right of Setoff; Recoupment . Zebra or any Subsidiary may, to the extent permitted by applicable law and which would not trigger tax under Section 409A of the Code, deduct from and set off against any amounts Zebra or Subsidiary may owe to the Participant from time to time, including amounts payable in connection with any Incentive Award, owed as wages, fringe benefits, or other compensation owed to the Participant, such amounts as may be owed by the Participant to Zebra, although the Participant shall remain liable for any part of the Participant's payment obligation not satisfied through such deduction and setoff. By accepting any Incentive Award granted hereunder, the Participant agrees to any deduction or setoff under this Section. Any Incentive Awards granted under the Plan (including any amounts or benefits arising from such Incentive Awards) shall be subject to any applicable "clawback" or other recoupment policies that Zebra has in place from time to time.

8.5. Change in Control. Except as provided in an Incentive Award and absent any action taken by the Board or the Committee to continue the Plan for the remainder of an outstanding Performance Period in which a Change in Control occurs, in the event of a Change in Control, each Participant subject to an outstanding Incentive Award shall receive a prorated payment of the target payout under the Incentive Award.

8.6. Amendment, Modification, and Termination . The Board may amend, suspend or terminate the Plan or the Committee's authority to grant Incentive Awards without the consent of stockholders or Participants; provided, however , that any amendment to the Plan shall be submitted to Zebra's stockholders for approval not later than the earliest annual meeting for which the record date is after the date of such Board action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange on which the shares of Class A Common Stock of Zebra may then be listed or quoted and the Board may otherwise, in its sole discretion, determine to submit other amendments to the Plan to stockholders for approval; and provided further , that, without the consent of an affected Participant, no Board or Committee action may materially and adversely affect the rights of such Participant under any outstanding Incentive Award, unless such action is determined by the Board or Committee in good faith to be necessary to comply with any applicable law, regulation or rule (including Section 409A of the Code). Subject to the preceding sentence, the

Committee may waive or modify any term of an Award to the extent that the terms of the Award Agreement, taking the waiver or modification into account, would have been permissible if included in the original Award Agreement, but shall have no authority to waive or modify any other Incentive Award term after the Incentive Award has been granted to the extent that the waived or modified term was mandatory under the Plan.

8.7. Unfunded Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Incentive Award, nothing contained in the Plan or any Incentive Award shall give any such Participant any rights that are greater than those of a general creditor of Zebra; provided, however, that the Committee may authorize the creation of trusts and deposit therein cash or other property, or make other arrangements to meet Zebra's obligations under the Plan. Such trusts or other arrangements shall be consistent with the "unfunded" status of the Plan unless the Committee otherwise determines with the consent of each affected Participant.

8.8. Compliance with Code Section 162(m). Zebra intends that Incentive Awards granted to executive officers who constitute covered employees under Section 162(m) of the Code shall satisfy the requirements of the Performance-Based Exception, unless otherwise determined by the Committee when the Incentive Award is granted. Accordingly, the Plan and such Incentive Awards shall be interpreted in a manner consistent with Section 162(m) of the Code and regulations thereunder with respect to an executive officer. If any provision of the Plan or any Incentive Award designated as intended to satisfy the Performance-Based Exception does not comply or is inconsistent with the requirements of Section 162(m) of the Code or regulations thereunder, such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee or any other person sole discretion to increase the amount of compensation otherwise payable in connection with any such Incentive Award upon attainment of the applicable Performance Targets. Payment of any amount that Zebra reasonably determines would not be deductible by reason of Section 162(m) of the Code shall be deferred until the earlier of the earliest date on which Zebra reasonably determines that the deductibility of the payment will not be so limited, or the year following the termination of employment.

8.9. Awards to Participants Outside the United States. The Committee may modify the terms of any Incentive Award made to or held by a Participant who is then resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that such Incentive Award shall conform to laws, regulations, and customs of the country in which the Participant is then resident or primarily employed, or so that the value and other benefits of the Incentive Award to the Participant, as affected by foreign tax laws and other restrictions, applicable as a result of the Participant's residence or employment abroad shall be comparable to the value of such an Incentive Award to a Participant who is resident or primarily employed in the United States. An Incentive Award may be modified under this Section in a manner that is inconsistent with the express terms of the Plan, so long as such modifications will not contravene any applicable law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Incentive Award is modified.

8.10. Successors. All obligations of Zebra under the Plan with respect to Incentive Awards shall be binding on any successor to Zebra, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of Zebra or otherwise.

8.11. Governing Law; Venue. To the extent not preempted by federal law, the Plan, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of Delaware without giving effect to principles of conflicts of laws. Any dispute, controversy or claim arising out of or relating to the Plan or any award under the Plan shall be brought only in a court of competent jurisdiction in the United States District Court for the Northern District of Illinois, and no other court, agency or tribunal shall have jurisdiction to resolve any such dispute, controversy or claim.

8.12. Incapacity of Recipient. If the Committee is served with a court order holding that a person entitled to a distribution under the Plan is incapable of personally receiving and giving a valid receipt for such distribution, the Committee shall postpone payment until such time as a claim therefore shall have been made by a duly appointed guardian or other legal representative of such person. The Committee is under no obligation to inquire or investigate as to the competency of any person entitled to a distribution. Any payment to an appointed guardian or other legal representative under this Section shall be a payment for the account of the incapacitated person and a complete discharge of any liability of Zebra and the Plan therefor.

8.13. Other Plans. Nothing contained in the Plan shall prevent the Committee or Zebra from adopting other non-stockholder approved plans, policies and arrangements for granting incentives and other compensation to employees of the Company and its Subsidiaries or adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

THREE OVERLOOK POINT

LINCOLNSHIRE CORPORATE CENTER

OFFICE LEASE

BETWEEN

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

LANDLORD

AND

ZEBRA TECHNOLOGIES CORPORATION

TENANT

Lease Reference Date: November 14, 2013

TABLE OF CONTENTS

SCHEDULE OF SIGNIFICANT TERMS 1

1. **BASE RENT; RENT ABATEMENT PERIOD.** 6
2. **ADDITIONAL RENT.** 7
3. **USE OF PREMISES.** 16
4. **PRIOR OCCUPANCY.** 17
5. **TERMINATION OF HEWITT LEASE.** 17
6. **ALTERATIONS.** 18
7. **SERVICES.** 19
8. **CONDITION AND CARE OF PREMISES; COMPLIANCE WITH LAWS; HAZARDOUS MATERIALS.** 23
9. **RETURN OF PREMISES.** 25
10. **HOLDING OVER.** 26
11. **RULES AND REGULATIONS.** 26
12. **RIGHTS RESERVED TO LANDLORD.** 27
13. **ASSIGNMENT AND SUBLETTING.** 28
14. **WAIVER OF CERTAIN CLAIMS; INDEMNITY BY TENANT.** 32
15. **DAMAGE OR DESTRUCTION BY CASUALTY.** 33
16. **EMINENT DOMAIN.** 34
17. **DEFAULT; LANDLORD'S RIGHTS AND REMEDIES.** 34

18. SUBORDINATION. 37

19. MORTGAGEE PROTECTION. 38

20. DEFAULT UNDER OTHER LEASES. 39

21. SUBROGATION AND INSURANCE. 39

22. NONWAIVER. 42

23. ESTOPPEL CERTIFICATE. 43

24. TENANT AUTHORITY TO EXECUTE LEASE. 43

25. REAL ESTATE BROKERS. 43

26. NOTICES. 44

27. FINANCIAL STATEMENTS. 44

28. MISCELLANEOUS. 44

29. LANDLORD'S AUTHORITY AND QUIET ENJOYMENT. 48

30. LANDLORD. 48

31. TITLE AND COVENANT AGAINST LIENS. 48

32. INTENTIONALLY OMITTED. 48

33. PARKING. 48

34. INTENTIONALLY OMITTED (SECURITY DEPOSIT). 49

35. EXCULPATORY PROVISIONS. 49

36. PROHIBITED PERSONS AND TRANSACTIONS. 50

37. ELECTRONIC SERVICES. 50

38. HAZARDOUS MATERIALS. 53

39. INTENTIONALLY OMITTED. 54

40. ALLOWANCE OFFSET. 54

41. BUILDING MONUMENT SIGN. 54

42. HEWITT SECOND AMENDMENT. 55

43. RIGHT OF FIRST OFFER. 55

44. OPTIONS TO RENEW. 59

45. SHORT-TERM RENEWAL OPTION. 60

46. EXISTING GENERATOR. 61

47. NEW EMERGENCY POWER SYSTEM. 62

48. COMMUNICATION ANTENNAE. 64

49. CAFETERIA. 66

LEASE with ZEBRA TECHNOLOGIES CORPORATION , a Delaware corporation **("Tenant")**

on Premises at Three Overlook Point, Lincolnshire Corporate Center
Lincolnshire, Illinois

This Lease, dated solely for reference purposes as of date set forth in the following Schedule of Significant Terms (the " **Schedule of Significant Terms** "), by and between The Northwestern Mutual Life Insurance Company ("Landlord") and the Tenant identified immediately above.

SCHEDULE OF SIGNIFICANT TERMS

For purposes of this Lease, the terms set forth below shall have the meanings or be assigned the amounts as follows:

Date of Lease: November 14, 2013

Base Rent (subject to abatement during the Abatement Period):

	Premises Excluding Lower Level			Lower Level Premises			Premises Total	
Period	Annualized Base Rent / RSF	Base Rent (annualized)	Monthly Base Rent	Annualized Base Rent / RSF	Base Rent (annualized)	Monthly Base Rent	Base Rent (annualized)	Monthly Base Rent
3/1/2017 - 2/28/2018	$15.00	$3,045,390.00	$253,782.50	$10.00	$278,439.96	$23,203.33	$3,323,829.96	$276,985.83
3/1/2018 - 2/28/2019	$15.41	$3,128,630.64	$260,719.22	$10.28	$286,236.36	$23,853.03	$3,414,867.00	$284,572.25
3/1/2019 - 2/29/2020	$15.83	$3,213,901.56	$267,825.13	$10.56	$294,032.64	$24,502.72	$3,507,934.20	$292,327.85
3/1/2020 - 2/28/2021	$16.27	$3,303,233.04	$275,269.42	$10.85	$302,107.44	$25,175.62	$3,605,340.48	$300,445.04
3/1/2021 - 2/28/2022	$16.72	$3,394,594.68	$282,882.89	$11.15	$310,460.64	$25,871.72	$3,705,055.32	$308,754.61
3/1/2022 - 2/28/2023	$17.18	$3,487,986.72	$290,665.56	$11.46	$319,092.24	$26,591.02	$3,807,078.96	$317,256.58
3/1/2023 - 2/29/2024	$17.65	$3,583,408.92	$298,617.41	$11.78	$328,002.36	$27,333.53	$3,911,411.28	$325,950.94
3/1/2024 - 2/28/2025	$18.14	$3,682,891.68	$306,907.64	$12.10	$336,912.36	$28,076.03	$4,019,804.04	$334,983.67
3/1/2025 - 2/28/2026	$18.64	$3,784,404.60	$315,367.05	$12.43	$346,100.88	$28,841.74	$4,130,505.48	$344,208.79
3/1/2026 - 11/30/2026	$19.15	$3,887,947.92	$323,995.66	$12.77	$355,567.92	$29,630.66	$4,243,515.84	$353,626.32

Commencement Date: March 1, 2017

Expiration Date: November 30, 2026, or such earlier date as this Lease is terminated as provided herein.

Rent Commencement Date: The first day immediately following the expiration of the Abatement Period (as defined in Section 1(b)), subject to the provisions of Section 5

Building: The improvements commonly known as and located at Three Overlook Point, Lincolnshire Corporate Center, Lincolnshire, Illinois, containing approximately 283,257 rentable square feet of space

Premises: The following spaces in the Building, mutually stipulated to contain the corresponding rentable area as set forth below:

Space	Rentable Square Feet
All rentable space on the first, second, and third floors of the Building	150,638
All rentable space on the fourth floor of the Building	52,388
The portion of the lower level of the Building, as depicted on Exhibit A	27,844
Total:	230,870

The Premises are outlined on the plan attached to the Lease as Exhibit A.

Tenant's Proportionate Share: 81.5055% ((230,870 rsf in Premises ÷ 283,257 rsf in Building) expressed as a percentage)

Security Deposit: $0

Broker: Jones Lang LaSalle Midwest LLC (for Tenant).

Landlord's Address for Notices:

The Northwestern Mutual Life Insurance Company
c/o Northwestern Mutual Real Estate Investments, LLC
100 North Riverside Plaza, Suite 2250
Chicago, IL 60606
Attn: Regional Director
(Fax: 312-784-7844)

with a copy to:

Northwestern Mutual Real Estate Investments, LLC
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attn: Managing Director-Real Estate
(Fax: 414/299-7016)

Tenant's Address for Notices: Prior to commencement of Zebra Sublease:

Zebra Technologies Corporation
475 Half Day Road, Suite 500
Lincolnshire, IL 60068

Attention: Vice President & General Counsel
Telephone: 847-793-5802
Facsimile: 847-821-1492

Following commencement of Zebra Sublease:

Zebra Technologies Corporation
Three Overlook Point
Lincolnshire Corporate Center
Lincolnshire, Illinois 60069, Suite ____
Attention: Vice President & General Counsel
Telephone: 847-793-5802
Facsimile: 847-821-1492

Tenant's Authorized Representative:	Michelle White
Allowance:	$9,971,490 ((i) $9,136,170 ($45 x 203,026 rsf (Premises excluding lower level)); + (ii) $835,320 ($30 x 27,844 rsf (lower level Premises))) [See Exhibit D]
Additional Allowance:	$1,580,625.21 [See Exhibit D]
Attachments to Lease:	
Exhibit A	Depiction of Premises
Exhibit B	Rules and Regulations
Exhibit C	Intentionally Omitted
Exhibit D	Work Letter
Exhibit E	Janitorial Specifications
Exhibit F	Sign Criteria
Exhibit G	Form Subordination, Nondisturbance, and Attornment Agreement
Exhibit H	Fair Market Rent; Fair Market Allowance
Exhibit I	Potential Offer Space
Exhibit J	Dispute Resolution Mechanism
Exhibit K	Installation Standards

R E C I T A L S:

A. Landlord's predecessor in title (LaSalle Bank National Association as successor trustee to American National Bank And Trust Company of Chicago u/t/a dated 11-6-1989 a/k/a/ Trust No. 109810-09) and HEWITT ASSOCIATES LLC, an Illinois limited liability company (" **Hewitt** ") entered into a certain Amended and Restated Lease, dated December 1, 1989 (the " **Original Hewitt Lease** "), as amended and supplemented by the following: First Amendment to Lease, dated as of September 28, 2001, and commencement date letter, dated May 14, 1991; and contemporaneously with the execution and delivery of this Lease, Landlord and Hewitt are entering into a certain Second Amendment to Lease (the " **Hewitt Second Amendment** ") (the Original Hewitt Lease, as so modified and supplemented, is referred to herein as the " **Hewitt Lease** "). Under the terms of the Hewitt Lease, Landlord leases to Hewitt all rentable space in the Building.

B. Contemporaneously with the execution and delivery of this Lease, Tenant is entering into a sublease with Hewitt whereby Tenant will sublease from Hewitt (the " **Zebra Sublease** ") a portion of the Building, which Zebra Sublease is subject to Landlord's approval pursuant to the Hewitt Lease. The Zebra Sublease shall grant to Tenant possession of the Premises leased to Tenant pursuant to the terms of this Lease, with the intention that the Premises will be occupied by Tenant pursuant to the Zebra Sublease until the expiration of the term thereof and thereafter the Premises will be occupied by Tenant pursuant to this Lease, all without the need to surrender the Premises to Landlord at the end of the Zebra Sublease. The space subleased to Tenant under the Zebra Sublease is referred to herein as the " **Zebra Sublease Premises** ".

C. The Hewitt Lease is scheduled to expire February 28, 2017, and it is anticipated that the Zebra Sublease will expire on that date as well.

D. The Zebra Sublease gives Tenant certain rights to expand the Zebra Sublease Premises to include all or a portion of the remaining premises under the Hewitt Lease (the " **Zebra Sublease Expansion Option** "). The Hewitt Second Amendment gives Landlord certain rights to recapture all or a portion of the portion of the premises under the Hewitt Lease that is not a part of the Zebra Sublease Premises (the " **Hewitt Lease Landlord Recapture Right** ").

E. Landlord and Tenant desire to enter into this Lease, for a term commencing March 1, 2017.

WITNESSETH:

Landlord hereby leases to Tenant and Tenant hereby accepts the Premises, for a term (" **Term** ") commencing on the Commencement Date and ending on the Expiration Date, paying as rent therefor the sums hereinafter provided, without any setoff, abatement, counterclaim, or deduction whatsoever, except as herein expressly provided.

IN CONSIDERATION THEREOF, THE PARTIES HERETO COVENANT AND AGREE:

1. Base Rent; Rent Abatement Period.

(a) **Base Rent** . Commencing on the Rent Commencement Date (as defined in the Schedule of Significant Terms, but subject to the provisions of Section 5), and subject to periodic adjustment as hereinafter provided, Tenant shall pay an annual base rent (herein called " **Base Rent** ") to Landlord for the Premises in the amount stipulated in the Schedule of Significant Terms, payable in monthly installments (herein called " **Monthly Base Rent** ") in the amount stipulated in the Schedule of Significant Terms, in advance on the Rent Commencement Date and on the first day of the first full calendar month and on the first day of each calendar month thereafter of the Term, and at the same rate prorated for fractions of a month if the Rent Commencement Date shall be on any date except the first day, or the Term shall end on any day except the last day of a calendar month. Base Rent, Additional Rent (as hereinafter defined), monthly installments of Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses (as hereinafter defined) and all other amounts becoming due from Tenant to Landlord herein (herein collectively called the " **Rent** ") shall be paid in lawful money of the United States to Landlord at the address designated in Section 26 hereof, or as otherwise designated from time to time by written notice from Landlord to Tenant. The obligation to pay Rent hereunder is independent of each and every other covenant and agreement contained in this Lease.

(b) **Rent Abatement** . Notwithstanding the provisions contained in Sections 1(a) above or 2 below to the contrary, Tenant will have the right to occupy the Premises during the Abatement Period (defined below) without the payment or accrual of liability for the installments of Monthly Base Rent, and without the payment or accrual of liability for Tenant's Proportionate Share of Taxes and Expenses, but with the accrual of and full liability for all other rent accruing during the Abatement Period, if any. Tenant's obligation to make payments of Base Rent and Tenant's Proportionate Share of Taxes and Expense after the end of the Abatement Period will commence immediately after the expiration of the Abatement Period, and such appropriate amounts will be due and payable on the first day after the end of the Abatement Period. If at any time prior to or during the Abatement Period, an Event of Default occurs under this Lease, any rights granted to Tenant under this Section 1(b) will terminate, and Tenant will be obligated to pay and will be liable for any and all portions of Monthly Base Rent and Tenant's Proportionate Share of Taxes and Expenses falling due or accruing from and after such Event of Default. Any cessation of rights pursuant to this Section 1(b) will not in any way extend the length of the Abatement Period. For purposes hereof, the " **Abatement Period** " means the period beginning on March 1, 2017 through November 30, 2017. Notwithstanding anything to the contrary herein, Landlord shall have the option at any time, in connection with any sale, recapitalization, or finance of the Building, to make a cash payment to Tenant in the amount of the remaining rent to be abated during the Abatement Period(s) under this Section 1(b). Upon Landlord's tender of such payment, Tenant shall no longer be entitled to abate any rent pursuant to this Section 1(b). Landlord may exercise its option to buy out Tenant's rent abatement by notice given to Tenant at least ten (10) days before the closing of the sale, recapitalization, or finance of the Building, and shall make the payment to Tenant on or immediately following the date of such closing.

2. Additional Rent.

In addition to paying the Base Rent specified in Section 1 hereof, from and after the Rent Commencement Date (but subject to the provisions of Section 5) Tenant shall pay as additional rent the amounts determined in accordance with the following provisions of this Section 2 (herein called " **Additional Rent** "):

(a) Definitions. As used in this Lease:

(i) " **Adjustment Date** " shall mean the first day of the Term and each January 1 thereafter falling within the Term.

(ii) " **Adjustment Year** " shall mean each calendar year during which an Adjustment Date falls.

(iii) " **Expenses** " means all costs, expenses and disbursements (subject to the limitations set forth below) that Landlord incurs in connection with the ownership, operation, maintenance, and repair of the Real Property and performing Landlord's obligations under this Lease, in each case, determined in accordance with sound accounting principles consistently applied, including the following costs: (i) wages and salaries of all on-site employees at or below the grade of general manager engaged in the operation, repair, or maintenance of the Real Property (together with Landlord's reasonable allocation of expenses of off-site employees at or below the grade of general manager who perform a portion of their services in connection with the operation, repair, or maintenance of the Real Property including accounting personnel), as well as taxes, insurance and benefits relating thereto; (ii) all supplies and materials used in the operation, maintenance, repair, and replacement of the Real Property; (iii) Permitted Capital Items (defined below); (iv) cost of all utilities (except the cost of utilities reimbursable to Landlord by the Building's tenants other than pursuant to a provision similar to this Section 2), including, without limitation, electricity for lighting the common and public areas and for running the elevators and other building equipment and systems; fuel and water used in heating, ventilating, and air-conditioning of the Building; and water for drinking, lavatory and toilet purposes; (v) insurance expenses, including property, liability, rent loss, and other insurance, and the cost of any deductibles; (vi) repairs, replacements (subject to the limitation on capital expenditures being included in Expenses, as set forth subsection (A) below), and general maintenance of the Real Property, including replacing paving, curbs, walkways, landscaping (including replanting and replacing flowers and other plantings), common and public parking and lighting facilities on the Real Property; (vii) fair market rental and other costs with respect to the management office for the Building, provided that if any such administration or supervisory personnel are also employed at any other property or properties of Landlord (or Landlord's property manager), then such costs shall be prorated among the Real Property and any other properties at which such personnel is employed; (viii) service, maintenance and management contracts and fees (payable to Landlord, Landlord's affiliate or a third-party management company) for the operation, maintenance, management, repair, or replacement of the Real Property (including alarm service, window cleaning, janitorial, access control, landscape maintenance, trash removal and recycling (subject to the provisions of Section 49.E), clearing snow and ice, telecommunications service, office equipment, maintenance, pest control, and elevator maintenance); (ix) reasonable attorneys' fees and auditing and other professional fees and expenses, but excluding all accounting and legal fees related to the construction, leasing, sale of or any litigation in any way involving the Real Property or to the enforcement of the terms of any lease, except that attorneys' fees incurred for the benefit of tenants of the Building may be included in Expenses (for example, but not by way of limitation, attorneys' fees incurred to seeking real estate tax assessment reductions, or seeking utility discounts or provision of services); (x) a management fee for the property manager of the Building; (xii) maintenance of mechanical and electrical equipment, including heating, ventilating and air-conditioning equipment, elevators, alarm, and security systems, rest rooms, sprinklers, plumbing systems, lobbies, hallways, and other common and public areas of the Building, but excluding expenditures (other than Permitted Capital Items) which under generally accepted accounting principles are required to be capitalized; (xiii) common area

maintenance and other costs allocable to the Real Property under the Declaration of Protective Covenants for Lincolnshire Corporate Center (Unit III) applicable to the Building; and (xiv) the costs of maintaining, operating, and repairing the Building Monument Sign (as defined in Section 41), the Directory (as defined in the Work Letter), and the Access System (as defined in the Work Letter).

(A) Notwithstanding anything herein to the contrary, Expenses will not include:

a. Costs (including, without limitation, permit, license and inspection fees) of any alterations, renovations or improvements of, or decorating in, the Premises or any other tenant's premises in the Building;

b. Principal or interest payments on loans secured by mortgages or trust deeds on the Building (except interest on any Permitted Capital Items), or lease rentals paid or payable on any ground or underlying lease or expenses, fees and transaction costs (including, without limitation, legal fees) incurred in obtaining such loans or ground or underlying leases **;**

c. All expenses for which Landlord has received any reimbursement to the extent of such reimbursement including, without limitation, reimbursements from Tenant or other tenant (such as reimbursement for repairs) or pursuant to contractor's or other warranties or condemnation, other than matters paid as additional rent or rent adjustment or other tax or expense pass-through or escalation expressly provided for in a tenant lease;

d. Attorneys' fees, costs and disbursements and other expenses incurred in connection with any matters related to (i) the formation and continued existence of Landlord, (ii) any loans to Landlord relating to the Building, (iii) tenant leases, including, without limitation, negotiations with prospective tenants or disputes with or enforcement actions against any tenant, and (iv) the defense of Landlord's title to or interest in the Building;

e. Expenses for repairs or other work occasioned by a casualty, to the extent that such expenses are required to be covered by Landlord's property insurance as described in Section 21(e)(1) provided that all costs which are not recoverable under such insurance as a result of any deductible amount shall be included as Expenses; however, such property insurance deductibles will not exceed (i) $100,000 per occurrence for fire loss; and (ii) 2% of the insured value for earthquake damage (it being understood that Landlord will notify Tenant within 30 days after receipt of written request from Tenant from time to time, of Landlord’s then current property insurance deductibles);

f. Depreciation and amortization except for that attributable to Permitted Capital Items;

g. Real estate brokers' commissions or compensation and other expenses (including, without limitation, architectural, space planning or engineering services) incurred in leasing or procuring tenants;

h. Costs or expenses incurred by Landlord due to actions or omissions of Landlord or its employees, agents, or contractors which actions or omissions are adjudicated and ruled upon by a court of competent jurisdiction as constituting gross negligence or willful misconduct;

i. Costs (including permit, license and inspection fees) incurred by the Landlord in connection with any construction which Landlord is obligated to perform pursuant to the Work Letter or under any other tenant leases and the cost of correcting defects in such construction or in the elements of the Building;

j. The cost of any repair made by Landlord pursuant to or as a result of condemnation;

k. The cost of any repairs, alterations, additions, charges, replacements and other items and which, under generally accepted accounting principles, are properly classified as capital expenditures, except as provided with respect to Permitted Capital Items;

l. Any on-site management or other fees paid to an agent which is related to Landlord to the extent such fees are in excess of the then current market rate for customary management fees for projects similar to the Building, for comparable quality and level of services by property management companies of similar quality, experience, and reputation;

m. Executive salaries and benefits to persons above the function of "General Manager" and “area chief engineer”, and salaries and benefits for off-site management personnel except for the pro rata portion of the salaries and benefits for off-site management personnel attributable to time actually spent by such personnel in connection with the management of the Building;

n. Expenses incurred in connection with services (including special service from Landlord's employees) or other benefits of a type which are not available or provided to Tenant but which are available to or provided to another tenant or occupant of the Building;

o. Any interest or penalty charges incurred by Landlord due to the violation of any law or failure to pay obligations of the Landlord before they become delinquent (regardless of whether the payment of such obligations is reimbursed through Expenses);

p. Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord for profit;

q. Advertising and promotional expenditures;

r. Costs for sculptures, paintings and other objects of art located within the Building, except only for the costs of maintaining and insuring such objects in the Common Areas;

s. Rentals and other related expenses incurred in leasing air conditioning systems, elevators or other Building systems under leases which, under generally accepted accounting principles, would be categorized as capital leases, except for (i) equipment not affixed to the Building that is used in connection with the operation, repair or maintenance of the Building; (ii) making repairs or keeping permanent systems in operation while repairs are being made; (iii) Permitted Capital Items; (iv) any such rental amounts to the extent the acquisition of such item would have been included in Expenses under the preceding paragraph and except for rent for the leasing of standard business office equipment (such as copiers) and equipment not affixed to the Building which is used in providing janitorial, landscaping, maintenance (including snow removal) or repair services;

t. Costs incurred by Landlord in connection with the removal, abatement, containment or remediation of asbestos, asbestos containing material, or other Hazardous Material from the Building, other than costs of routine testing and monitoring of water and air quality;

u. Payments in respect of profit to parties related to Landlord for services, supplies or materials to the extent that the cost of such services, supplies or materials exceeds the cost that would have been paid had such services, supplies or materials been provided by parties unaffiliated with the Landlord on a competitive basis;

v. Reserves of any kind, including, but not limited to, replacement reserves, and reserves for bad debts or lost rent or any similar charge not involving the payment of money to third parties;

w The cost of any service sold to any tenant or occupant of the Project for which Landlord is entitled to be reimbursed as an additional charge or rental over and above the basic rent and escalations payable under the lease or occupancy agreement with that tenant or other occupant (including, by way of example but not limitation, after-hours HVAC costs or over-standard electrical consumption costs incurred by other tenants or occupants);

x. Costs associated with the operation of the business of the entity which constitutes Landlord as the same are distinguished from the costs of operation of the Building, including accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building, costs of any disputes between Landlord and its employees (if any) not engaged in Building operation, disputes of Landlord with building management, or fees or costs paid in connection with disputes with other tenants; and

y. Taxes (it being understood that Tenant is obligated to pay Tenant's Proportionate Share of Taxes separately pursuant to Section 2(b, c, and d) below.

Furthermore, for purposes of calculating Expenses, management fees paid to the property management company for managing the Building in a calendar year will be included in Expenses but will not exceed 4% of the gross income of the Building (determined in accordance with generally accepted accounting principles consistently applied) for such calendar year, if Tenant does not lease 100% of the rentable area of the Building, or will not exceed 3% of the gross income of the Building (determined in accordance with generally accepted accounting principles consistently applied) for such calendar year, if Tenant does lease 100% of the rentable area of the Building; provided, however, that (i) for such purposes, "gross income" will include, without limitation, rents owing from tenants, and also will include rent that is not paid or owing from tenants by virtue of a rent credit, rent abatement, or other rent concession. For purposes of calculating Expenses, salaries, fringe benefits, bonuses and other compensation to personnel engaged in the management, repair, operation, and maintenance of the Property, as well as other expenses incurred by and reimbursable to such property manager or property management company will be included in Expenses but will be in addition to management fees and will not be subject to such cap on management fees.

With respect to any calendar year or partial calendar year in which the Building is not occupied to the extent of 100% of the rentable area thereof, or Landlord is not supplying services to 100% of the rentable area thereof, the Expenses for such period which vary with the occupancy of the Building shall, for the purposes hereof, be increased to the amount which would have been incurred had the Building been occupied to the extent of 100% of the rentable area thereof and Landlord had been supplying services to 100% of the rentable area thereof. Accordingly, if Landlord is supplying any service to one or more tenants but not to all tenants of the Building, Landlord may allocate 100% of the Expenses to those tenants receiving such service. Landlord shall not (i) make a profit by charging items to Expenses that are otherwise also charged separately to others and (ii) subject to Landlord's right to adjust the components of Expenses described above in this Section, collect Expenses from Tenant and all other tenants in the Building in an amount in excess of what Landlord incurs for the items included in the Expenses. In any instance where Landlord has adjusted Expenses as provided in this Section, Landlord shall: (A) indicate in the statement of Expenses which Expenses have been adjusted; and (B) include a worksheet explaining the methodology of the adjustment and showing the mathematics of the adjustment.

(iv) " **Taxes** " shall mean all real estate taxes, assessments (whether they be general or special), sewer rents, rates and charges, transit taxes, taxes based upon the receipt of rent, and any other federal, state or local governmental charge, general, special, ordinary or extraordinary (but not including income or franchise taxes (other than personal property replacement income taxes) or any other taxes imposed upon or measured by Landlord's income or profits, unless the same shall be imposed in lieu of the real estate taxes or other ad valorem taxes), which may now or hereafter be levied, imposed or assessed against the Building or the land on which the Building is located (the " **Land** "), or both during an Adjustment Year, all or a portion of which is within the Term (prorated for partial years pursuant to clause (f) below). Tenant shall be only obligated to pay Taxes which are assessed during the term of this Lease, irrespective of when such Taxes are due and payable, except as otherwise set forth below. The Building and the Land are herein collectively called the " **Real Property** ."

Notwithstanding the foregoing provisions of this Section 2(a)(iv):

(A) If at any time during the Term of this Lease the method of taxation then prevailing shall be altered so that any new tax, assessment, levy, imposition or charge or any part thereof shall be imposed upon Landlord in addition to, or in place or partly in place of any such Taxes, or contemplated increase therein, and shall be measured by or be based in whole or in part upon the Real Property or the rents or other income therefrom, then all such new taxes, assessments, levies, impositions or charges or part thereof, to the extent that they are so measured or based, shall be included in Taxes levied, imposed, or assessed against real property to the extent that such items would be payable if the Real Property were the only property of Landlord subject thereto and the income received by Landlord from the Real Property were the only income of Landlord.

(B) Notwithstanding the year for which any such taxes or assessments are levied, (i) in the case of special taxes or special assessments which may be payable in installments, the amount of each installment, plus any interest payable thereon (but not including penalty interest), paid during a calendar year shall be included in Taxes for that year and (ii) if any taxes or assessments payable during any calendar year shall be computed with respect to a period in excess of twelve (12) calendar months, but not to exceed thirteen (13) calendar months, then taxes or assessments applicable to the excess period shall be included in Taxes for that year. Except as provided in the preceding sentence, for purposes of this Section 2, all references to Taxes "for" a particular year shall be deemed to refer to taxes levied, assessed or otherwise imposed for such year without regard to when such taxes are payable.

(C) Taxes shall also include any personal property taxes (attributable to the calendar year in which paid) imposed upon the furniture, fixtures, machinery, equipment, apparatus, systems and appurtenances used in connection with the Real Property or the operation thereof and located at the Building.

(v) " **Permitted Capital Items** " means:

(a) capital improvements completed after the Commencement Date which, at the time Landlord performs the same, Landlord reasonably estimates will cause a reduction (or a reduction in increases) in Expenses over the useful life of such improvements in an amount exceeding the cost of such improvements;

(b) capital improvements required by governmental laws, codes, ordinances, rules or regulations, or insurance regulations, enacted or promulgated after the Commencement Date;

(c) the cost of resurfacing and replacing the parking area,

provided that, in each case such cost is amortized by Landlord over the useful life of the capital improvement as reasonably estimated by Landlord, with interest on the unamortized amount at 8% per annum, and such amortized costs (including interest as aforesaid) are only included in Expenses under this Lease for that portion of the useful life of the capital improvement which falls within the Term;

(d) the cost of repairs and restoration for any casualty damage covered by Landlord's property insurance, up to the amount of Landlord's reasonable deductibles (subject to the limitations thereon set forth in Section 2(a)A above; Landlord represents that its fire damage deductible as of the date hereof is $25,000, which is subject to change without notice but subject to the limitations set forth in

Section 2(a)A above); and

(e) items which are generally considered maintenance and repair items, such as, but not limited to, landscaping, painting of common areas, replacement of carpet and wallpaper in elevator lobbies and common corridors, replacing broken windows, and the like.

(vi) " **Tenant's Proportionate Share** " shall mean the percentage stipulated in the Schedule of Significant Terms which is the percentage obtained by dividing the Rentable Area of the Premises by the Rentable Area of the Building.

(vii) " **Additional Rent** " shall mean all amounts determined pursuant to this Section 2 including any amounts payable by Tenant to Landlord on account thereof.

(b) Computation of Additional Rent . Tenant shall pay Additional Rent for each Adjustment Year determined as hereinafter set forth. Additional Rent payable by Tenant with respect to each Adjustment Year during which an Adjustment Date falls shall include the following amounts:

(i) Tenant's Proportionate Share multiplied by the Expenses for such Adjustment Year (the " **Expense Adjustment** "); plus

(ii) Tenant's Proportionate Share multiplied by the Taxes for such Adjustment Year (the " **Tax Adjustment** ").

(c) Payments of Additional Rent; Estimates . Tenant shall make payments on account of the Expense Adjustment and Tax Adjustment on an estimated basis effective as of the Adjustment Date for each Adjustment Year as follows:

(i) During each December during the Term, or as soon after each December as reasonably practicable, but in no event later than March 1 st of each succeeding year, Landlord will give Tenant written notice or notices (each, a " **Notice of Estimate** ") of Landlord's reasonable estimates, forecasts or projections of Taxes (" **Estimated Taxes** ") and Expenses (" **Estimated Expenses** ") for the ensuing Adjustment Year. Landlord's Notice of Estimate may also set forth Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses for such Adjustment Year. Landlord's budgets of Expenses and the Estimated Expenses based thereon shall assume full occupancy and use of the Building and may be revised by Landlord from time to time based on changes in rates, actual experience, and other criteria which are components of budget items.

(ii) Until such time as Landlord furnishes a Notice of Estimate for an Adjustment Year, Tenant shall continue to pay to Landlord monthly installments of Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses equal to the latest required monthly installment of Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses based upon the latest Notice of Estimate issued by Landlord. Upon receipt of the Notice of Estimate, Tenant's Proportionate Share of Estimated Taxes, and Tenant's Proportionate Share of Estimate Expenses, set forth therein will in each case be divided into 12 equal monthly installments, and Tenant will pay Landlord, at the same time that the next regular monthly rental payment is due, the number of installments necessary to bring the Tenant current for the calendar year. Credit will be given for any payment of monthly installments of Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses, respectively, already made for those months. Subsequent installments will be payable together with the regular rent payments for the balance of the calendar year and will continue until payments begin under the following calendar year's Notice of Estimate.

(d) Readjustments . The following readjustments with regard to the Tax Adjustment and Expense Adjustment shall be made by Landlord and Tenant:

(i) Following the end of each Adjustment Year and after Landlord shall have determined the amounts of Expenses to be used in calculating the Expense Adjustment for such Adjustment Year, Landlord shall notify Tenant in writing (" **Landlord's Expense Statement** ") of such Expenses for such Adjustment Year. Landlord will use reasonable efforts to deliver Landlord's Expense Statement by April 30 of the year following such Adjustment Year. Delays by Landlord in submitting such Landlord's Expense Statements or mistakes by Landlord in such statements will not prejudice Landlord's right to collect any rent due under this Lease; provided, however, that Landlord's right to make any such corrections in respect of an Adjustment Year will not extend beyond December 31 of the calendar year immediately following the end of the Adjustment Year to which such Landlord's Expense Statement appertains; provided, further, that Landlord will have the benefit of any correction of Expenses in Landlord's favor in connection with Tenant's audit pursuant to Section 2(e) notwithstanding that such correction may occur after the deadline for corrections as set forth above. If the Expense Adjustment owed for such Adjustment Year exceeds Tenant's payments of Tenant's Proportionate Share of Estimated Expenses for such Adjustment Year, then Tenant shall, within thirty (30) days after the delivery of Landlord's Expense Statement, pay to Landlord an amount equal to the excess of the Expense Adjustment over Tenant's payments of Tenant's Proportionate Share of Estimated Expenses for such Adjustment Year. If Tenant's payments of Tenant's Proportionate Share of Estimated Expenses for such Adjustment Year exceeds the Expense Adjustment owed for such Adjustment Year, then Landlord shall credit such excess to Rent payable after the date of Landlord's Expense Statement, or may, at its option, credit such excess to any Rent then due and owing, until such excess has been exhausted. If the Expiration Date shall occur prior to full application of such excess, Landlord shall pay to Tenant the balance thereof not theretofore applied against Rent and not reasonably required for payment of Additional Rent for the Adjustment Year in which the Expiration Date occurs.

(ii) Following the end of each Adjustment Year and after Landlord shall have determined the actual amounts of Taxes to be used in calculating the Tax Adjustment for such Adjustment Year, Landlord shall notify Tenant in writing (" **Landlord's Tax Statement** ") of such Taxes for such Adjustment Year. Landlord will use reasonable efforts to deliver Landlord's Tax Statement within a reasonable time after Landlord's receipt of the final bill for Taxes from the applicable taxing authority for such Adjustment Year. Delays by Landlord in submitting such Landlord's Tax Statements or mistakes by Landlord in such statements will not prejudice Landlord's right to collect any rent due under this Lease; provided, however, that Landlord's right to make any such corrections in respect of any Adjustment Year will not extend beyond the later of (a) December 31 of the calendar year immediately following the calendar year in which occurs the final deadline for Landlord's payment of Taxes for such Adjustment Year to the applicable taxing authority; and (b) the 180 th day after Landlord's receipt of such final bill from the applicable taxing authority; provided, further, that Landlord will have the benefit of any correction of Taxes in Landlord's favor in connection with Tenant's audit pursuant to Section 2(e) notwithstanding that such correction may occur after the deadline for corrections as set forth above. If the Tax Adjustment owed for such Adjustment Year exceeds Tenant's payments of Tenant's Proportionate Share of Estimated Taxes for such Adjustment Year, then Tenant shall, within thirty (30) days after the date of Landlord's Tax Statement, pay to Landlord an amount equal to the excess of the Tax Adjustment over Tenant's payments of Tenant's Proportionate Share of Estimated Taxes for such Adjustment Year. If Tenant's payments of Tenant's Proportionate Share of Estimated Taxes for such Adjustment Year exceeds the Tax Adjustment owed for such Adjustment Year, then Landlord shall credit such excess to Rent payable after the date of Landlord's Tax Statement, or may, at its election, credit such excess to any Rent then due and owing, until

such excess has been exhausted. If the Expiration Date shall occur prior to full application of such excess, Landlord shall pay to Tenant the balance thereof not theretofore applied against Rent and not reasonably required for payment of Additional Rent for the Adjustment Year in which the Expiration Date occurs.

(iii) No interest or penalties shall accrue on any amounts which Landlord is obligated to credit or pay to Tenant by reason of this Section 2(d).

(iv) The obligations of Landlord and Tenant under this Section 2(d) will survive expiration or termination of this Lease.

(e) Books and Records . Landlord shall maintain books and records showing Expenses and Taxes in accordance with generally accepted accounting principles (except as otherwise set forth in this Lease). Tenant shall have the right, at Tenant's cost, to examine Landlord's books and records showing Expenses and Taxes (as applicable) upon five (5) business days' prior written notice and during normal business hours provided that such notice of Tenant's election to perform such examination is given to Landlord within 150 days following the furnishing by the Landlord to the Tenant of Landlord's Expense Statement or Landlord's Tax Statement, as the case may be, provided for in Section 2(d). Tenant's examination may be conducted by any party designated by Tenant that is reasonably acceptable to Landlord. It is hereby understood and agreed that the following parties are not reasonably acceptable: (i) any competitor of Landlord engaged in the development and ownership of real estate, (ii) real estate brokers, (iii) parties engaged in the business of auditing building owners' books or records on a contingent fee basis, and (iv) any party that is not an independent, licensed CPA or does not have an independent CPA on staff and involved in such audit. Unless the Tenant shall take written exception to any item within 180 days after the furnishing of the Landlord's Expense Statement or Landlord's Tax Statement, as the case may be, containing said item, such Landlord's Expense Statement or Landlord's Tax Statement, as applicable, shall be considered as final and accepted by the Tenant. If Tenant takes exception to any item in Landlord's Expense Statement or Landlord's Tax Statement, as applicable, within the applicable time period, and if agreement cannot be reached within two (2) weeks thereafter, then Tenant's auditor and Landlord or Landlord's accountant shall together select a third auditor or accountant (who shall meet the qualifications set forth above and must not be affiliated with and must not perform services for either party or their affiliates) to which they shall each promptly submit their findings in a final report, with copies submitted simultaneously to Tenant's auditor and Landlord's auditor or accountant, and to Tenant and Landlord. Within two (2) weeks after receipt of such findings, the third auditor or accountant shall determine which of the two reports best meets the terms of this Lease, which report shall become binding on the parties. The third auditor shall not have the option of selecting a compromise between the first two auditors' (or Tenant's auditor's and Landlord's accountant's) findings, nor to make any other finding. The party required to make payment under such adjustment shall pay all fees and expenses of such third auditor or accountant unless the payment represents five percent (5%) or less of the annual Expense Adjustment shown on Landlord's Expense Statement or Landlord's Tax Statement, as applicable, in which case Tenant shall bear all such fees and expenses.

(f) Proration and Survival . With respect to any Adjustment Year which does not fall entirely within the term, Tenant shall be obligated to pay as Additional Rent for such adjustment year only a pro rata share of Additional Rent as hereinabove determined, based upon the number of days of the Term falling within the Adjustment Year. Following expiration or termination of this Lease, Tenant shall pay any Additional Rent due to the Landlord within thirty (30) days after the date of Landlord's Expense Statement or Landlord's Tax Statement, as applicable, sent to Tenant. Without limitation on other obligations of Tenant which shall survive the expiration of the Term, the obligations of Tenant to pay Additional Rent provided for in this Section 2 shall survive the expiration or termination of this Lease. Additional Rent for any partial calendar month will be prorated per diem.

(g) No Decrease in Base Rent. In no event shall any Additional Rent result in a decrease of the Base Rent payable hereunder as set forth in Section 1 hereof.

(h) Additional Rent. All amounts payable by Tenant as or on account of Additional Rent shall be deemed to be additional rent becoming due under this Lease.

(i) Adjustment of Tenant's Proportionate Share. If at any time in the future the number of rentable square feet of office space in the Building is reduced, by reason of change in the Building structure (such as conversion of rentable space to common area or tenant amenity) or by reason of the separation of ownership of a portion of the Building by a device such as vertical subdivision or submission of the Building to a condominium form of ownership, with the result that Tenant's Proportionate Share no longer reflects the percentage of office space in the Building for which Landlord is responsible for Taxes and Expenses, then Landlord shall be entitled to make an equitable adjustment in Tenant's Proportionate Share to reflect the change in such circumstances.

3. Use of Premises.

(a) Tenant shall use and occupy the Premises (i) for Tenant's executive and general offices and for such related purposes as are described in subsection (b) of this Section 3; and (ii) as to the portion of the Premises on the ground floor designated in Exhibit A as the location of the cafeteria, a kitchen and cafeteria (together, the " **Cafeteria** ") for Tenant's exclusive use, except as otherwise set forth in this Lease, and for no other purpose (the " **Permitted Use** "). For the purposes of this Section 3, Tenant shall be deemed to include Tenant's permitted subtenants, assigns, and occupants. The Cafeteria will be for Tenant's exclusive use, except that Tenant may, with Landlord's prior written approval (not to be unreasonably withheld, conditioned, or delayed) and subject to Landlord's reasonable requirements, also elect to serve other tenants and occupants of the Building from such Cafeteria.

(b) Landlord agrees that, in connection with and incidental to Tenant's use of the Premises for the office purposes set forth in subsection (a) of this Section 3, provided the same complies with zoning and all other applicable laws, and with the certificate of occupancy for the Premises, Tenant may use portions of the Premises for (i) the preparation and service of food and beverages from a pantry kitchen or lounge all for the exclusive use by officers, employees and business guests of Tenant (but not for use as a public restaurant or by other tenants of the Building), (ii) the operation of vending machines for the exclusive use of officers, employees and business guests of Tenant, provided that each vending machine, where necessary, shall have a waterproof pan thereunder and be connected to a drain, (iii) the installation, maintenance and operation of electronic data processing equipment, computer processing facilities and business machines, provided that such equipment is contained within the Premises and does not cause vibrations, noise, or electrical interference to other tenants of the Building or the elevators or other equipment in the Building; and (iv) engineering labs provided that such engineering labs comply with all applicable laws and ordinances and rules and regulations of governmental departments or agencies and do not exceed 30,000 rentable square feet of space in the aggregate (" **Lab Space** "); provided, however, that if Tenant leases all of the rentable space on the 5 th floor of the Building (pursuant to Section 43 or otherwise by written agreement between Landlord and Tenant) then such maximum Lab Space area will be increased by 6,500 rentable square feet to a total maximum of 36,500 rentable square feet. With respect to any use permitted under this Section 3, any such use shall not violate any laws or requirements of public authorities, constitute a public or private nuisance, interfere with or cause physical discomfort to any of the other tenants or occupants of the Building, interfere with the operation of the Building or the maintenance of same as a first-class office building, or violate any of Tenant's other obligations under this Lease.

(c) Tenant hereby represents, warrants, and agrees that Tenant's business is not and shall not be photographic, multilith, or multigraph reproductions or offset printing. Anything contained herein to the contrary notwithstanding, Tenant shall not use the Premises or any part thereof, or permit the Premises or any part thereof to be used, (i) for the business of photographic, multilith, or multigraph reproductions or offset printing, (ii) for a retail banking, trust company, depository, guarantee, or safe deposit business open to the general public, (iii) as a savings bank, a savings and loan association, or as a loan company open to the general public, (iv) for the sale to the general public of travelers checks, money orders, drafts, foreign exchange or letters of credit or for the receipt of money for transmission, (v) as a stock broker's or dealer's office or for the underwriting or sale of securities open to the general public, (vi) except as provided in subsection (b) of this Section 3, as a restaurant or bar or for the sale of confectionery, soda, beverages, sandwiches, ice cream, or baked goods or for the preparation, dispensing, or consumption of food or beverages in any manner whatsoever, (vii) as a news or cigar stand, (viii) as an employment agency, labor union office, physician's or dentist's office, dance, or music studio, school (except for the training of employees of Tenant), (ix) as a travel agency, or (x) as a barber shop or beauty salon. Nothing in this subsection (c) shall preclude Tenant from using any part of the Premises for photographic, multilith, or multigraph reproductions in connection with, either directly or indirectly, its own business or activities.

(d) Tenant will reasonably cooperate with Landlord and other tenants of the Building to enable Landlord and other tenants of the Building to have reasonable access to the NetPop, telephone closets, Building risers, and such other portions of the Building (including those which may be wholly or partially located in the Premises) as reasonably necessary or appropriate to enable other tenants to have voice/data connectivity to their premises in the Building. Tenant will have no right or authority to grant any provider the exclusive right to provide any particular service within the Building.

(e) Subject to the terms and conditions of this Lease, Tenant will have access to the Premises 24 hours per day, 7 days per week, 365 days per year, excluding emergencies.

4. Prior Occupancy.

The parties acknowledge that Tenant will occupy the Premises or portions thereof prior to the Commencement Date of this Lease, pursuant to the Zebra Sublease.

5. Termination of Hewitt Lease.

In the event that the Hewitt Lease is terminated for any reason other than (i) a “Default” (as defined in the Hewitt Lease) that is caused by Tenant (as defined in this Lease) or a Tenant Party (as defined in Section 7(c)), or by a breach by Tenant (as the subtenant under the Zebra Sublease) under the Zebra Sublease; or (ii) as a result of casualty or condemnation in accordance with the terms of the Hewitt Lease (the “ **Excluded Termination Events** ”), then provided that the Zebra Sublease is, immediately before such termination of the Hewitt Lease, in full force and effect and Tenant (as subtenant) is not then in default beyond any applicable notice and cure period of its obligations as the sublessee under the Zebra Sublease, then the Lease Term of this Lease will be deemed to commence automatically (the “ **Early Lease Term Commencement Date** ”) upon the termination of the Zebra Sublease (simultaneously with the termination of the Hewitt Lease), as set forth in this Section. During the period beginning upon such Early Lease Term Commencement Date and until the Commencement Date set forth in the Schedule of Significant Terms (the “ **Early Lease Term** ”), (a) Tenant will pay Monthly Base Rent at the rate of $0 per rentable square foot per annum for the lower level portion of the Premises, and $0 per rentable square foot per annum for the ground floor and above-ground floor portions of the Premises; (b) Tenant will pay Expense Adjustment and Tax Adjustment as set forth in this Lease, notwithstanding that the Early Lease Term begins and expires before the Rent Commencement Date; and (c) except as otherwise set forth in this Section, all provisions of this Lease will apply during Early Lease Term. The rent abatement during the Abatement Period, as set forth in Section 1(b), will not apply to the Early Lease Term. Any space into which Tenant expands pursuant to the Zebra Sublease will be included in the Premises during the Early Lease Term beginning on the Early Lease Term Commencement Date. The Early Lease Term Commencement Date will be confirmed by the parties in a commencement date agreement to be prepared by Landlord. The Expiration Date of the Lease Term will not be affected by the Early Lease Term.

6. Alterations.

Tenant shall not, without the prior written consent of Landlord in each instance, make any alterations, improvements, or additions to the Premises (including the installation of systems furniture or other equipment or personal property that affects or otherwise connects to the Building’s systems), and any such alterations, improvement, or additions desired by Tenant shall be installed at Tenant’s expense only in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord, which approval shall be governed by the provisions set forth in this Section 6. Landlord’s consent thereto shall not be unreasonably withheld or delayed; however, Landlord may, in its sole and absolute discretion, withhold its consent to any alterations, additions, or improvements, that (i) are not consistent with the first-class nature or the architectural character of the Building; (ii) could adversely affect the structure of the Building, the Building systems or the Building circuitry; (iii) could increase Landlord's costs of operating and maintaining the Building; (iv) would violate the terms of any applicable zoning or building laws or ordinances; or (v) would disturb other tenants of the Building, for example, by requiring entry into the premises of other tenants; the foregoing being merely examples of reasons for which Landlord may reasonably withhold its consent and will not be deemed exclusive of any permitted reasons for reasonably withholding consent, whether similar or dissimilar to the foregoing examples. If Landlord consents to said alterations, improvements, or additions, it may impose such conditions with respect thereto as Landlord deems appropriate, including, without limitation, requiring Tenant to furnish Landlord with insurance against liabilities which may arise out of such work, plans and specifications and permits necessary for such work. The work necessary to make any alterations, improvements, or additions to the Premises shall be done at Tenant's expense by employees of, or contractors hired by, Landlord, except to the extent Landlord gives its prior written consent to Tenant's hiring contractors, in which event Landlord will have the right to approve Tenant's contractor and all subcontractors to be used by Tenant's contractor, which approval will not be unreasonably withheld. Landlord may require the employment of union contractors and subcontractors who shall not cause labor disharmony. Tenant shall promptly pay to Landlord or to Tenant's contractors, as the case may be, when due, the cost of all such work and of all decorating required by reason thereof. Tenant will also pay to Landlord an amount equal to three percent (3%) of all of the costs of such work to reimburse Landlord for its overhead and construction management services allocable to such work; provided, however, that the foregoing provisions of this sentence will not apply to the Tenant Work performed pursuant to the Work Letter attached hereto as Exhibit D . Upon completion, Tenant shall deliver to Landlord, if payment is made directly to contractors, evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials. Tenant shall defend and hold Landlord and the holder of any legal or beneficial interest in the land or Building harmless from all costs, damages, liens, and expenses related to such work. All work done by Tenant or its contractors pursuant to Sections 6 or 8 hereof shall be done in a professional and workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all applicable laws and ordinances and rules and regulations of governmental departments or agencies and the rules and regulations adopted by the Landlord for the Building. Within thirty (30) days after substantial completion of any such work by Tenant or its contractors and upon written request of Landlord, Tenant shall furnish to Landlord "as built" drawings of such work. Tenant shall not paint or install lighting or decorations, signs, window or door lettering, or advertising media of any type visible from the exterior of the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord’s sole and absolute discretion. Landlord’s consent to or approval of any alterations, additions or improvements (or the plans therefor) shall not constitute a representation or warranty by Landlord, nor Landlord’s acceptance, that the same comply with sound architectural and/or engineering practices or with all applicable laws, and Tenant shall be solely responsible for ensuring all such compliance.

Notwithstanding anything to the contrary contained elsewhere in this Section 6, Tenant shall have the right, without Landlord's consent, to make any alteration to the interior of the Premises (but not outside of the Premises) and which either:

(1) is comprised solely of painting, carpeting, and similar purely cosmetic decorations or alterations, or

(2) is cosmetic in nature and costs $100,000 or less in the cumulative aggregate in any calendar year,

and meets all of the following criteria: (a) the alterations does not fall within any of the foregoing factors (i) through (v); (b) the alteration does not require a building permit; (c) Tenant provides Landlord with three (3) days' advance written notice of the commencement of such alteration; and (d) such alterations are not visible from outside of the Premises (each, a " **Cosmetic Alteration** "). For avoidance of doubt, a "Cosmetic Alteration" will not include any alterations or improvement to any common corridor, the ground floor lobby, ground floor elevator lobby, exterior signage, restrooms on the ground floor or lower level, elevator cabs, or any alterations or improvements to the exterior of the Building or outside of the Building. At the time Tenant notifies Landlord of any Cosmetic Alteration, Tenant shall give Landlord a copy of Tenant's plans for the work. If the Cosmetic Alteration is of such a nature that formal plans will not be prepared for the work, Tenant shall provide Landlord with a reasonably specific description of the work.

Upon Tenant's acceptance of possession of the Premises pursuant to the Zebra Sublease, Tenant may make alterations, improvements and additions to the Premises prior to the Commencement Date of this Lease so long as Tenant complies with the terms and provisions of this Lease and the Work Letter attached hereto as Exhibit D , and complies with the terms and provisions of the Zebra Sublease.

7. Services.

(a) The Landlord shall furnish:

(i) Except as otherwise set forth in this Section, air-conditioning, ventilation, and heat (" **HVAC** ") in accordance with the following specifications daily from 8:00 a.m. to 6:00 p.m. (Saturdays 8:00 a.m. to 1:00 p.m.), Sundays and holidays (as hereinafter defined) excepted (" **HVAC Hours** "):

> The air cooling system will be capable of maintaining, during the cooling season, inside space conditions of 74 degrees F. (±2 degrees) dry bulb and 50% (±10%, i.e., between 40% and 60%) relative humidity when outside conditions are 95 degrees F. dry bulb and 74 degrees F. (mean coincident wet bulb), and during the heating season, the heating system will be capable of maintaining not less than 70 degrees F. (±2 degrees) with outdoor temperatures ranging down to -10 degrees F. with a wind velocity up to 15 m.p.h. The foregoing is based upon an occupancy density of not more than one person per 286 square feet of floor area and a maximum electrical load not exceeding Building standard.

However, at such time as, and so long as, Tenant leases 100% of the rentable space in the Building, Tenant may, by giving 30 days prior written notice to Landlord, elect to cause Landlord to expand the HVAC Hours on Monday through Friday to 6:00 a.m. to 8:00 p.m. Notwithstanding the foregoing, the foregoing HVAC specifications are for typical office space only. Such HVAC specifications will not apply, for example, to the Cafeteria, Lab Space, or computer/data/server rooms. The term "holidays" as used herein shall mean New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Landlord's agreements hereunder are subject to presidential and governmental restrictions on energy use.

(ii) Water will be distributed to the Premises either by the Village of Lincolnshire or, at Landlord's option, by Landlord; and Landlord will permit Landlord's water pipes and mains, to the extent available, suitable and safely capable, to be used for such distribution. If and so long as Landlord is distributing water to the Premises, Tenant will pay for such usage (including related sewer charges and all fees, taxes, surcharges and other amounts in connection therewith) based on readings of the water submeter installed by Tenant pursuant to the Work Letter. If such water service is to be supplied to the Premises directly by the Village of Lincolnshire, then Tenant shall make all necessary arrangements with the Village of Lincolnshire for metering (including installation of such meter pursuant to the Work Letter) and paying for water furnished by it to Tenant and Tenant shall pay for all charges for water and sewer service to the Premises during the Term. The water used during the performance of janitor service shall be paid for by Tenant.

(iii) Nightly janitorial service, Monday through Friday, excluding holidays in accordance with the janitorial specifications set forth in Exhibit E , which specifications will be subject to reasonable modification by Landlord from time to time so long as the level of janitorial service is not materially reduced; provided, however, if Tenant's floor covering or other improvements require special treatment, Tenant will pay the additional cleaning cost attributable thereto as additional rent upon presentation of a statement therefor by Landlord. Notwithstanding anything to the contrary in this Lease, Landlord will have no obligation to provide any janitorial service to the Cafeteria; Tenant will be solely responsible for providing its own janitorial service to the Cafeteria, at Tenant's sole cost. In addition, If the nature or configuration of the Lab Space imposes impediments on providing janitorial service thereto (as compared with typical office space) or is such that providing janitorial service thereto is impractical or relatively more expensive, then Landlord may elect to limit or eliminate the janitorial service to the Lab Space, in which event Tenant would provide such janitorial service to the Lab Space at Tenant' sole cost. For such purpose, Tenant will engage a janitorial contractor reasonably approved by Landlord, using janitorial specifications reasonably acceptable to Landlord. The Tenant shall not provide any janitor services or cleaning to portions of the Premises other than Cafeteria portions, without the Landlord's written consent, and then only subject to supervision of Landlord and at Tenant's sole responsibility and cost (and without compensation to Tenant or reduction in Rent) and by a janitor or cleaning contractor or employees at all times satisfactory to Landlord. When engaging a janitorial contractor for the Building, Landlord will determine, in its reasonable judgment, the most suitable janitorial contractor for the Building, after reasonably considering Tenant's input or recommendations (if any are given) for such janitorial contractor.

Notwithstanding the foregoing provisions of this Section 7(a)(iii), so long as Tenant is the only tenant occupying space in the Building, Tenant may, by written request delivered to Landlord on or after the Commencement Date, notify Landlord of the name and contact information for a janitorial provider preferred by Tenant and requesting that Landlord engage such janitorial provider. In such event, Landlord will use reasonable efforts to engage such janitorial service provider on terms and conditions reasonably acceptable to Landlord on the condition that such provider is reputable and reliable in Landlord's reasonable judgment; in such event Tenant will pay 100% of the costs and charges of such janitorial service provider (at Landlord's option, either as a direct charge to Tenant payable by Tenant within 30 days after receipt of invoice from time to time, or as an inclusion in Expenses (subject to the gross-up for vacancy set forth in Section 2(a)(iii)). Nevertheless, Landlord reserves the right to terminate such janitorial contractor if Landlord reasonably determines that such service contractor is not in the best interest of Landlord or the Building, in which event Tenant will have the right to resubmit its request for Landlord to engage (a different) janitorial service provider. The term of such service contractor requested by Tenant would commence upon the expiration of the then-existing janitorial service contract for the Building. Tenant's rights and Landlord's obligations under this grammatical paragraph will terminate automatically at such time as Tenant is no longer the sole tenant in the Building.

(iv) Passenger elevator service in common with Landlord and other tenants, daily from 8:00 a.m. to 8:00 p.m., Saturdays from 8:00 a.m. to 1:00 p.m., Sundays and holidays excepted, and freight elevator service in common with Landlord and other tenants, daily from 7:00 a.m. to 3:30 p.m., Saturdays, Sundays, and holidays excepted. Such normal elevator service, passenger or freight, if furnished at other times shall be optional with Landlord and shall never be deemed a continuing obligation. The Landlord, however, shall provide limited passenger elevator service daily at all times such normal passenger service is not furnished, subject to emergencies. Tenant shall also have the use of the freight elevator to complete any and all alterations, improvements and additions to the Premises permitted pursuant to this Lease, subject to prior scheduling with Landlord, and subject to scheduling conflicts. Tenant will have the use of the freight elevator servicing the Cafeteria from the lower level to the first floor, and Landlord will not authorize any other tenant to use such freight elevator.

(v) Electricity shall not be furnished by Landlord, but shall be furnished by an approved electric utility company serving the Building. Landlord

shall permit the Tenant to receive such service direct from such utility company at Tenant's cost, and shall permit Landlord's wire and conduits, to the extent available, suitable, and safely capable, to be used for such purposes. Tenant shall make all necessary arrangements with the utility company for metering and paying for electric current furnished by it to Tenant and Tenant shall pay for all charges for electric current consumed on the Premises during Tenant's occupancy thereof. The electricity used during the performance of janitor service, the making of alterations or repairs in the Premises, or the operation of any special air conditioning systems which may be required for data processing equipment or for other special equipment or machinery installed by Tenant, shall be paid for by Tenant. Tenant shall make no alterations or additions to the electric equipment or appliances installed by Tenant without the prior written consent of the Landlord in each instance, which consent shall not be unreasonably withheld. Tenant also agrees to purchase from the Landlord or its agent at competitive prices all lamps, bulbs, ballasts, and starters used in the Premises during the Term hereof. The electrical feeder or riser capacity serving the Premises on the Commencement Date shall be adequate to provide Building Standard electrical loads. Any additional feeders or risers to supply Tenant's additional electrical requirements, and all other equipment proper and necessary in connection with such feeders or risers, shall be installed by Landlord upon Tenant's request, at the sole cost and expense of Tenant, provided that, in Landlord's judgment, such additional feeders or risers are necessary and are permissible under applicable laws and insurance regulations and the installation of such feeders or risers will not cause permanent damage or injury to the Building or the Premises or cause or create a dangerous or hazardous condition or entail excessive or unreasonable alterations or interfere with or disturb other tenants or occupants or the Building and Tenant deposits with Landlord funds or other security acceptable to Landlord in the estimated amount of the cost of such installation, as determined by Landlord. Tenant covenants and agrees that at all times its use of electric current shall never exceed the capacity of the feeders to the Building or the risers or wiring installed thereon.

(vi) Natural gas shall not be furnished by Landlord, but shall be furnished by the gas utility company serving the Building. Landlord shall permit the Tenant to receive such service directly from such utility company at Tenant's cost, and shall permit Landlord's gas pipes, to the extent available, suitable, and safely capable, to be used for such purposes. Tenant shall make all necessary arrangements with the utility company for metering and paying for natural gas furnished by it to Tenant and Tenant shall pay for all charges for natural gas consumed on the Premises. Tenant will cause the natural gas serving the Premises to be separately metered pursuant to the Work Letter. In the alternative, if Tenant does not cause the natural gas serving the Premises to be separately metered, then Tenant will pay to Landlord within 30 days after receipt of invoice from time to time 100% of the costs and other charges by the gas utility company (without markup by Landlord) and all taxes thereon and other third-party charges in connection therewith for all natural gas service to the Building.

(vii) Landlord shall cause the Building and adjacent walkways and parking areas to be maintained in operating condition and reasonably free from debris, snow, and ice consistent with the operation of a first-class office building in the North Suburban Chicago area.

(viii) If Tenant desires HVAC service at any time other than HVAC Hours, then such services shall be supplied to Tenant upon the written or emailed request by Tenant delivered to Landlord’s designated property manager (a) in the case of HVAC Service requested on for a (non-holiday) business day, for a time which is after HVAC Hours for such day: before noon on such business day; or (b) in the case of HVAC Service requested for a non-business day (including holidays): by noon of the business day preceding such extra usage, and Tenant shall pay to Landlord the reasonable standard charges by Landlord for such services within 30 days after Landlord has delivered to Tenant an invoice therefor.

(b) During the existence of any Event of Default, Landlord shall have no obligation to provide any additional services (i.e., excluding those services which Landlord is required to provide without additional charge pursuant to this Lease), and no such suspension or discontinuance shall be deemed an eviction or disturbance of Tenant's use of the Premises or render Landlord liable for damages or relieve Tenant from performance of Tenant's obligations under this Lease.

(c) Landlord shall use reasonable efforts to restore any service required of it under Section 7(a) that becomes unavailable; however, such unavailability shall not render Landlord liable for any damages caused thereby, be a constructive eviction of Tenant, constitute a breach of any implied warranty, or, except as provided in the next sentence, entitle Tenant to any abatement of Tenant’s obligations hereunder. If, however, Tenant is prevented from using the Premises because of the unavailability of any such service for a period of 5 consecutive business days following Landlord’s receipt from Tenant of a written notice regarding such unavailability, the restoration of which is within Landlord’s reasonable control, and such unavailability was not caused by a Tenant Party or a governmental directive, then Tenant shall, as its exclusive remedy be entitled to a reasonable abatement of Base Rent and Additional Rent for each consecutive day (after such 5 business day period) that Tenant is so prevented from using the Premises. Alternatively, if Tenant is prevented from using the Premises because of the unavailability of any such service for a period of 5 consecutive business days following Landlord’s receipt from Tenant of a written notice regarding such unavailability, the restoration of which is not within Landlord’s reasonable control, and such unavailability was not caused by a Tenant Party, then Tenant shall, as its exclusive remedy be entitled to a reasonable abatement of Base Rent and Additional Rent for each consecutive day (after such 5 business day period) that Tenant is so prevented from using the Premises, if and to the extent that rent loss insurance then maintained by Landlord will cover such nonpayment of rent during such abatement period. For purposes hereof, “Tenant” means Tenant; any assignees claiming by, through, or under Tenant; any subtenants claiming by, through, or under Tenant; and any of their respective agents, officers, directors, beneficiaries, shareholders, partners, contractors, employees, licensees, guests and invitees (individually, a “ **Tenant Party** ,” and collectively, “ **Tenant Parties** ”). Tenant shall notify Landlord if any service shall be stopped, whereupon Landlord will proceed diligently to restore such service as soon as reasonably possible.

(d) Tenant agrees to cooperate fully, at all times, with Landlord in abiding by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of all utilities and services reasonably necessary for the operation of the Premises and the Building.

(e) Tenant agrees to cooperate fully with Landlord efforts to obtain LEED, Energy Star or other sustainability program certification or qualification.

(f) Landlord, throughout the Term of this Lease, shall have free access to any and all mechanical installations, and Tenant agrees that there shall be no construction of partitions or other obstructions which might interfere with the moving of the servicing equipment of Landlord to or from the enclosures containing said installations. Tenant further agrees that neither Tenant, nor its servants, employees, agents, visitors, licensees, or contractors shall at any time tamper with, adjust, or otherwise in any manner affect Landlord's mechanical installations.

(g) Tenant shall make arrangements directly with the telephone company servicing the Building for such telephone service in the Premises as may be desired by Tenant. If Tenant desires telephonic, burglar alarm, or computer installations (which services shall be installed and maintained at Tenant's sole expense), Landlord shall, upon request, direct where and how all connections and wiring for such service shall be introduced and run. Landlord additionally shall have the right to approve or disapprove all plans and specifications for such service prior to any installation and to refuse permission for such installation if Landlord determines same could adversely affect an existing system. In the absence of such directions, Tenant shall make no borings or cutting or install any wires or cables in or about

the Premises and/or the Building.

8. Condition and Care of Premises; Compliance with Laws; Hazardous Materials.

(a) Tenant's taking possession of the Premises shall be conclusive evidence against Tenant, and upon said taking of possession Tenant shall execute an agreement with Landlord stating that the Premises were then in good order and satisfactory condition, excluding latent defects (other than latent (or other) defects in the Tenant Work); the parties acknowledge that such taking of possession will occur before the Commencement Date of the Term of this Lease. No promises of the Landlord to alter, remodel, improve, repair, decorate, or clean the Premises or any part thereof have been made, and no representation respecting the condition of the Premises, the Building, or the Land, has been made to Tenant by or on behalf of Landlord except to the extent expressly set forth herein, or in the Work Letter. Except as expressly set forth in the Work Letter (if any), Landlord is leasing the Premises to Tenant "as is," without any representations or warranties of any kind (including, without limitation, any express or implied warranties of merchantability, fitness or habitability). This Lease does not grant any rights to light or air over or about the property of Landlord.

(b) Except for any damage resulting from casualty or from any wanton or negligent act of Landlord or its employees and agents, and subject to the provisions of Section 15 hereof, Tenant shall, at its own expense, keep the Premises in good repair and condition and shall promptly and adequately repair all damage to the Premises caused by Tenant or any of its employees, agents, or invitees, including replacing or repairing all damaged or broken glass, fixtures, and appurtenances resulting from any such damage, under the supervision and with the approval of Landlord and within any reasonable period of time specified by Landlord. Tenant's obligation to maintain and repair the Premises, shall include but is not limited to, all electrical, plumbing and mechanical systems serving the Premises from the point said systems connect to the base building systems on each floor. In the event of any damage to the Premises which Landlord believes is not being remedied promptly by Tenant, Landlord shall provide written notice to Tenant notifying Tenant of the damage, and Tenant shall have five (5) business days from the date of receipt of such notice to make or commence making such repairs. If Tenant does not make such repairs within such five (5) day period, or (if the repairs cannot reasonably be completed in such period) if Tenant does not commence such repairs within such five (5) business day period and thereafter diligently continue to make such repairs, Landlord may, but need not, make such repairs and replacements and Tenant shall pay Landlord the cost thereof on demand; provided that nothing set forth to the contrary in this Lease shall prevent Tenant from disputing its responsibility to make or liability to pay for such repairs. Tenant shall take special care to keep all areas of the Premises which are visible by or accessible to the public, such as elevator lobbies and corridors, in good order and appearance consistent with the high standards and quality of a first-class office building.

(c) Whenever, in Landlord's commercially reasonable opinion, Tenant's use or occupation of the Premises, including lighting, personnel, heat generating machines, or equipment, individually or cumulatively, causes the design loads for the system providing heat and air-cooling to be exceeded, to affect the temperature or humidity otherwise maintained by the heating, ventilating, and air conditioning system in the Premises or Building, Landlord may, but shall not be obligated to, temper such excess loads by installing supplementary heating or air-conditioning units in the Premises or elsewhere where necessary. In such event, Landlord shall provide written notice of its decision to Tenant to install such supplementary heating or air-conditioning, and Tenant may elect to undertake to install such supplementary heating or air-conditioning at its expense. In the event that Tenant does not elect to undertake the installation of the supplementary heating or air-conditioning, the cost of such units and the expense of installation, including the reasonable cost of preparing working drawings and specifications, shall be paid by Tenant as additional rent within ten (10) days after Landlord's demand therefor. Alternatively, Landlord may require Tenant to install such supplementary heating or air-conditioning unit at Tenant's sole expense. Landlord may operate and maintain any such supplementary units, but shall have no continuing obligation to do so or liability in connection therewith. The expense resulting from the operation and maintenance of any such supplementary heating or air conditioning units, including rent for space occupied by any supplementary heating or air conditioning units installed outside the Premises, shall be paid by Tenant to Landlord as additional rent at rates fixed by Landlord. Alternatively, Landlord may require Tenant to operate and maintain any such supplementary units, under a maintenance contract (reasonably approved by Landlord), also at Tenant's sole expense.

(d) Subject to the provisions of Section 8(e), Tenant will, at its sole cost and expense, strictly comply with all existing or future applicable municipal, state and federal and other governmental statutes, rules, requirements, regulations, laws and ordinances, including zoning ordinances and regulations, and covenants, easements and restrictions of record (collectively, " **Laws** "); which relate to (i) Tenant's use of the Premises, (ii) Tenant alterations, improvements, and additions constructed or installed by, or at the direction of, Tenant, or (iii) the Building structure, the Building systems, and the common areas of the Real Property (but, as to such Building structure, Building Systems, and common areas, only to the extent such obligations are triggered by (a) Tenant alterations, additions, or improvements made by Tenant in or to the Premises which would not constitute normal, typical and customary business office improvements, or (b) Tenant's use of the Premises for non-general office use or (c) Tenant's (or any Tenant Party's) acts in the common areas) or (iv) the Handling of any Hazardous Materials by Tenant or any Tenant Party. Tenant will, at its sole cost and expense, obtain any and all licenses or permits necessary for Tenant's use of the Premises. Tenant will, at its sole cost and expense, promptly comply with the requirements of any board of fire underwriters or other similar body now or hereafter constituted. Tenant will indemnify, defend (by counsel reasonably satisfactory to Landlord), protect and hold Landlord harmless from and against any loss, cost, expense, damage, attorneys' fees or liability arising out of the failure of Tenant to comply with any Laws. Tenant's obligation pursuant to such indemnity will survive the expiration or earlier termination of this Lease.

(e) Landlord and Tenant acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C §12101 et seq.) and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the " **ADA** "), and those provisions of Illinois law and Lincolnshire laws and ordinances, and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the " **Regional Accessibility Laws** "), establish requirements for business operations, accessibility and barrier removal, and that certain requirements under ADA Title III and Regional Accessibility Laws may or may not apply to the Premises and the Building depending on, among other things: (1) whether Tenant's business is deemed a "public accommodation" or "commercial facility", (2) whether such requirements are "readily achievable", and (3) whether a given alteration affects a primary function area or triggers "path of travel" requirements. The parties hereby agree that: (a) Landlord shall be responsible for ADA Title III and Regional Accessibility Laws compliance in the common areas of the Building, except as provided below, (b) Tenant shall be responsible for ADA Title III and Regional Accessibility Laws compliance in the Premises, including any leasehold improvements or other work to be performed in the Premises under or in connection with this Lease, it being understood that a ny pre-existing leasehold improvements in the Premises are delivered as-is, and the responsibility for their compliance with ADA, Regional Accessibility Laws , and other Laws will be borne by Tenant; (c) notwithstanding anything in this Section to the contrary, Tenant will be responsible, at its cost, for compliance with t he ADA and Regional Accessibility Laws requirements if and to the extent that such ADA or Regional Accessibility Laws requirements would otherwise make Tenant rather than Landlord primarily responsible for making such alteration or addition; (d) Landlord may perform, or require that Tenant perform, and Tenant shall be responsible for the cost of, ADA Title III and Regional Accessibility Laws "path of travel" requirements triggered by alterations in the Premises, (e) Landlord may perform, or require Tenant to perform, and Tenant shall be

responsible for the cost of, ADA Title III and Regional Accessibility Laws compliance in the common areas of the Building necessitated by the Building or Premises being deemed to be a "public accommodation" instead of a "commercial facility" as a result of Tenant's (or its subtenant's or assignee's) use of the Premises, or necessitated to accommodate the special needs of the employee(s) of Tenant or any assignee or subtenant of Tenant; and (f) Tenant shall be solely responsible for requirements under Title I of the ADA relating to Tenant's employees. In the event of a conflict between this Section 8(e) and any other provision of this Lease, the provisions of this Section 8(e) will control.

9. Return of Premises.

(a) At the termination of this Lease by lapse of time or otherwise or upon termination of Tenant's right of possession without terminating this Lease, Tenant shall surrender possession of the Premises to Landlord and deliver all keys and access cards to the Building, the premises and the Building garage (if any) to Landlord and make known to the Landlord the combination of all locks of vaults then remaining in the Premises, and shall (subject to the provisions of Sections 9(b) and 9(c) below) return the Premises and all equipment and fixtures of the Landlord therein to Landlord in as good condition as when Tenant completed the Tenant Work, whether performed during the term of the Zebra Sublease or during the term of this Lease (or other initial improvements, as to expansion space), ordinary wear, loss or damage by fire or other insured casualty, and damage resulting from the wanton or negligent act of Landlord or its employees and agents excepted, failing which Landlord may restore the Premises and such equipment and fixtures to such condition and Tenant shall pay the cost thereof to Landlord on demand along with a three percent (3%) administrative fee.

(b) All installations, additions, partitions, hardware, wiring, light fixtures, supplementary heat or air-conditioning units, non-trade fixtures and improvements, temporary or permanent, except movable furniture, movable partitions and equipment belonging to Tenant, in or upon the Premises, whether placed there by Tenant or Landlord, shall be Landlord's property and shall remain upon the Premises, all without compensation, allowance or credit to Tenant; provided, however, that if Landlord directs that Tenant remove any of said items at the end of the Term, then Tenant, at Tenant's sole cost and expense, shall promptly remove such of the installations, additions, partitions, hardware, wiring, light fixtures, non-trade fixtures, and improvements placed in the Premises by or on behalf of Tenant as are so designated by Landlord and repair any damage to the Premises caused by such removal, failing which Landlord may remove the same and repair the Premises and Tenant shall pay the cost thereof to Landlord on demand. However, Landlord will not require Tenant to remove standard and customary office improvements that might reasonably be used by a subsequent tenant, but in any event, (i) each of the following, installed by or at the direction of Tenant or any Tenant Party, must be removed by Tenant at Tenant's cost: safes, vaults, showers and washrooms (excluding washrooms in the core of the Building), internal stairways, high density shelving, raised computer floors and fire suppression systems; and (ii) Landlord may require removal of any other leasehold improvements that are unusual, extraordinary or relatively expensive to remove, in Landlord's reasonable judgment. However, so that Tenant may learn in advance whether Landlord construes any specific alterations or improvements as falling within clause (ii) above, at the time that Tenant requests Landlord's consent to specific alterations, Tenant may also request that Landlord notify Tenant whether Landlord will, upon expiration or termination of the Lease Term, require Tenant to remove any of the subject improvements. If Tenant so requests and if Landlord consents to the alterations, then Landlord will also notify Tenant (contemporaneously with Landlord's notice of consent) whether Landlord will require removal of any such alterations or improvements at the expiration or termination of the Lease Term. At the expiration or termination of the Lease Term, Tenant will not be required to remove any such alterations or improvements if and to the extent that Landlord previously notified Tenant that removal of such alterations or improvements would not be required. For purposes of this subsection, if Tenant is required to remove any improvements or alterations, Tenant is also required to restore the affected areas to an architectural, structural, and aesthetic whole.

(c) Tenant shall remove Tenant's furniture, machinery, safes, trade fixtures, and other items of movable personal property of every kind and description from the Premises prior to the expiration of the Term or ten (10) days following earlier termination of this Lease or Tenant's right of possession, whichever might be earlier, failing which Landlord may do so and thereupon the provisions of Section 17(f) shall apply.

(d) All obligations of Tenant hereunder shall survive the expiration of the Term or sooner termination of this Lease.

10. Holding Over.

The Tenant shall pay Landlord for each month (or fraction thereof) Tenant retains possession of the Premises or any part thereof after termination of this Lease or Tenant's right to possession hereunder, by lapse of time or otherwise, then Tenant shall be a tenant at sufferance and, in addition to all other damages and remedies to which Landlord may be entitled for such holding over, (a) Tenant shall pay, in addition to the other Rent, Base Rent equal to the greater of (1) 200% of the Rent payable during the last month of the Term, or (2) 125% of the prevailing rental rate in the Building for similar space, as reasonably determined by Landlord, and (b) Tenant shall otherwise continue to be subject to all of Tenant's obligations under this Lease. The provisions of this Section 22 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, damages, costs (including reasonable attorneys' fees) and liability resulting from such failure, including any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits or other consequential damages to Landlord resulting therefrom .

Nothing in this Section contained, however, shall be construed or operate as a waiver of Landlord's right of re-entry or any other right of Landlord.

11. Rules and Regulations.

Tenant agrees to observe the rights reserved to Landlord contained in Section 12 hereof and agrees, for itself, its employees, agents, clients, customers, invitees and guests, to comply with the rules and regulations set forth in Exhibit B attached to this Lease and made a part hereof and such other reasonable rules and regulations as shall be adopted and uniformly enforced by Landlord pursuant to Section 12(k) of this Lease; provided, however, that of those rules and regulations listed on Exhibit B, only the following will apply to Tenant until the earlier of substantial completion of the Tenant Work and the date Tenant begins occupying the Premises or any material portion thereof (pursuant to the Zebra Sublease or otherwise) for the conduct of Tenant's business: #1, 2 (last sentence), 3 (last sentence), 4-7, 9, 10, 12, 13, 16, 17, 20, and 21. Any violation by Tenant of any of the rules and regulations contained in Exhibit B attached to this Lease or other Section of this Lease, or as may hereafter be adopted by Landlord pursuant to Section 12(k) of this Lease, may be restrained; but whether or not so restrained, Tenant acknowledges and agrees that it shall be and remain liable for all damages, loss, costs and expense resulting from any violation by the Tenant of any of said rules and regulations. Landlord shall use commercially reasonable efforts (which need not include eviction or commencement of legal proceedings) to uniformly apply said rules and regulations, or the terms, covenants and conditions of any other lease against all tenants of the Building, including Tenant, or any other occupants of the Building, provided, however, Landlord and its beneficiary shall not be liable to Tenant for violation of the same by any other tenant, its employees, agents, invitees, or by any other person.

12. Rights Reserved to Landlord.

Landlord reserves the following rights, exercisable without notice and without liability to Tenant for damage or injury to property, person or business and without

effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoff or abatement of Rent or affecting any of Tenant's obligations under this Lease:

(a) To change the name or street address of the Building.

(b) To install and maintain signs on the exterior and interior of the Building.

(c) To prescribe the location and style of the suite number and identification sign or lettering for the Premises occupied by the Tenant.

(d) To retain at all times, and to use in appropriate instances, pass keys to the Premises.

(e) To grant to anyone the right to conduct any business or render any service in the Building, whether or not it is the same as or similar to the use expressly permitted to Tenant by Section 3.

(f) To exhibit the Premises during the last twelve (12) months of the Term at reasonable hours, and to decorate, remodel, repair, alter, or otherwise prepare the Premises for reoccupancy at any time after Tenant vacates or abandons the Premises.

(g) To enter the Premises at reasonable hours for reasonable purposes, including inspection and supplying janitor service or other service to be provided to Tenant hereunder. Without limiting the foregoing, upon reasonable prior notice (which notice may be oral) to Tenant, Landlord may enter the Premises at all reasonable hours to show the Premises to prospective purchasers or lenders, and, at any time during the last 12 months of the Term (or earlier if Tenant has notified Landlord in writing that it does not desire to renew the Term), upon reasonable prior notice (which notice may be oral) to Tenant, or at any time following the occurrence of an Event of Default, to enter the Premises at all reasonable hours to show the Premises to prospective tenants.

(h) To require all persons entering or leaving the Building during such hours as Landlord may from time to time reasonably determine to identify themselves to watchmen by registration or otherwise, and to establish their right to enter or leave in accordance with the provisions of applicable rules and regulations adopted by Landlord. Landlord shall not be liable in damages for any error with respect to admission to or eviction or exclusion from the Building of any person. In case of fire, invasion, insurrection, mob, riot, civil disorder, public excitement or other commotion, or threat thereof, Landlord reserves the right to limit or prevent access to the Building during the continuance of the same, shut down elevator service, activate elevator emergency controls, or otherwise take such action or preventive measures deemed necessary by Landlord for the safety of the tenants or other occupants of the Building or the protection of the Building and the property in the Building. Tenant agrees to cooperate in any reasonable safety program developed by Landlord.

(i) To control and prevent access to common areas and other non-general public areas pursuant to the provisions of applicable rules and regulations adopted by Landlord.

(j) Provided that reasonable access to the Premises shall be maintained and the business of Tenant shall not be interfered with or disrupted unreasonably, Landlord reserves the right to relocate, enlarge, reduce or change exits or entrances (other than relocating the main entrance) in or to the Building and to decorate and to make, at its own expense, repairs, alterations, additions and improvements, structural or otherwise, in or to the Building or any part thereof, and any adjacent building, land, street or alley, including for the purpose of connection with or entrance into or use of the Building in conjunction with any adjoining or adjacent building or buildings, now existing or hereafter constructed, and may for such purposes erect scaffolding and other structures reasonably required by the character of the work to be performed, and during such operations may enter upon the Premises and take into and upon or through any part of the Building, including the Premises, all materials that may be required to make such repairs, alterations, improvements, or additions, and in that connection Landlord may temporarily close public entry ways, other public spaces, stairways or corridors and interrupt or temporarily suspend any services or facilities agreed to be furnished by Landlord, all without the same constituting an eviction of Tenant in whole or in part and without abatement of Rent by reason of loss or interruption of the business of Tenant or otherwise and without in any manner rendering Landlord liable for damages or relieving Tenant from performance of Tenant's obligations under this Lease. Landlord may at its option make any repairs, alterations, improvements and additions in and about the Building and the Premises during ordinary business hours and, if Tenant desires to have such work done during other than business hours, Tenant shall pay all overtime and additional expenses resulting therefrom. Any Landlord activities undertaken in accordance with this section shall be consistent with other Class A office buildings generally and with the existing character of the Premises specifically.

(k) From time to time to make and adopt such reasonable rules and regulations, in addition to or other than or by way of amendment or modification of the rules and regulations contained in Exhibit B attached to this Lease or other Sections of this Lease, for the protection and welfare of the Building and its tenants and occupants, as the Landlord may determine.

13. Assignment and Subletting.

(a) Except as otherwise expressly provided herein, Tenant shall not, without the prior written consent of Landlord in each instance, (i) convey, mortgage, pledge, hypothecate, or encumber, or subject to or permit to exist upon or be subjected to any lien or charge, this Lease or any interest under it, (ii) allow to exist or occur any transfer of or lien upon this Lease or the Tenant's interest herein by operation of law, (iii) assign this Lease or any of Tenant's rights hereunder, (iv) sublet the Premises or any part thereof, (v) permit the use or occupancy of the Premises or any part thereof for any purpose not provided for under Section 3 of this Lease or by anyone other than the Tenant and Tenant's employees, or (vi) if Tenant is an entity other than a corporation whose stock is publicly traded, permit the transfer of an ownership interest in Tenant so as to result in a change in the current direct or indirect control of Tenant. Landlord has the absolute right to withhold its consent, without giving any reason whatsoever, except as herein expressly provided to the contrary. The foregoing prohibitions shall also apply to any assignee or subtenant of Tenant.

(b) If, after the Commencement Date, Tenant has procured an assignee or sublessee, Tenant shall, by written notice to Landlord, advise Landlord of its intention from, on and after a stated date (which shall not be less than sixty (60) days after the date of Tenant's notice) to assign this Lease to such proposed assignee or sublet any part or all of the Premises to such proposed subtenant for the balance or any part of the Term. Upon receipt of such notice, Landlord shall have the right, to be exercised by giving written notice to Tenant within thirty (30) days after receipt of Tenant's notice, to cancel the lease in the case of a proposed assignment of this Lease or a proposed subleasing of all the Premises, or to cancel the lease with respect to the portion to be so subleased by notice to Tenant in which latter event the Rent and Tenant's Proportionate Share as defined herein shall be adjusted on the basis of the number of square feet of Rentable Area of the

Premises retained by Tenant, and this Lease as so amended shall continue thereafter in full force and effect. If Landlord exercises such option to cancel, then Landlord's notice exercising such right shall specify the date as of which such cancellation is effective, which date shall be not less than thirty (30) and not more than ninety (90) days after the date on which Landlord sends such notice, unless such space requires demising, in which case such cancellation will become effective when such space is separately demised. Tenant's notice given pursuant to this Section 13(b) shall state the name and address of the proposed subtenant or assignee, and a true and complete copy of the proposed sublease or assignment and sufficient information to permit Landlord to determine the financial responsibility and character of the proposed subtenant or assignee shall be delivered to Landlord with said notice. If Landlord exercises its recapture right as set forth above and if the subject space requires demising, Landlord will perform the same at Landlord's cost, and in such event Tenant waives all claims against Landlord for any inconvenience to Tenant relative to the remaining Premises arising from such demising work, but Landlord will use reasonable efforts to minimize such inconvenience. Landlord's cancellation option pursuant to this Section 13(b) will not apply to Permitted Transfers (defined below).

(c) If Landlord, upon receiving Tenant's notice given pursuant to Section 13(b), shall not exercise its right to cancel, Landlord will not unreasonably withhold its consent to Tenant's assignment of this Lease or subletting the space covered by its notice, provided, however, in each case, such subletting or assignment also satisfies the following conditions:

(i) No Event of Default then exists;

(ii) Tenant has fully complied with the provisions of this Section 13;

(iii) The assignee or subtenant is not a tenant of the Building or of the buildings commonly known as One Overlook Point or Two Overlook Point, and is not a governmental entity (or subdivision or agency thereof), or the then or prospective holder of a political office;

(iv) Tenant has furnished Landlord with copies of all documents relating to the sublease or assignment arrangement between Tenant and the proposed subtenant or assignee, including financial statements, if requested by Landlord;

(v) The proposed sublease or proposed assignment does not extend for a term beyond the initial Term of this Lease, nor does the sublease or assignment contain any options to extend or renew the term thereof beyond the initial Term of this Lease;

(vi) The subtenant or assignee is of a character or engaged in a business which is, and the subtenant's or assignee's proposed use of the Premises, or portions thereof, is consistent with the standards of Landlord for the Building and the use permitted hereunder;

(vii) A subletting will not result in more than four (4) occupants of the Premises, including Tenant and all subtenants;

(viii) The space to be subleased and the remaining portion of the Premises are both legally leasable units and suitable for normal renting;

(ix) The assignee or subtenant is sufficiently financially responsible to perform its obligations under the sublease or assignment, in Landlord's reasonable judgment, and Tenant shall provide Landlord with reasonable background information, including, without limitation, financial statements, on the prospective assignee or sublessee, all as Landlord may reasonably require; and

(x) The intended use by or business of the proposed assignee or sublessee will not conflict with any commitment by Landlord to any other tenant in the Lincolnshire Corporate Center.

Landlord agrees to respond to Tenant's request for approval within thirty (30) days after submission of all documents.

(d) Consent by Landlord to any assignment, subletting, use, or occupancy or transfer shall not operate to relieve the Tenant from any covenant or obligation hereunder, and shall not be deemed to be a consent to or relieve Tenant, or any subtenant or assignee, from obtaining Landlord's consent to any subsequent assignment, transfer, lien, charge, subletting, use, or occupancy.

(e) In connection with each request by Tenant for Landlord's consent to a sublease or assignment, Tenant will pay to Landlord an amount equal to the sum of the following, regardless of whether such consent is granted or denied: (a) Landlord's processing fee of $1,500 and (b) an amount equal to Landlord's out-of-pocket administrative, legal and other costs and expenses incurred in processing such request or otherwise incurred in connection with such sublease or assignment.

(f) If all or any part of the Premises are then subleased, any termination of this Lease or of Tenant's right to possession in connection with an Event of Default will, at Landlord's option, either, (a) terminate the sublease or (b) operate as an assignment to Landlord of the sublease. Landlord shall not be liable for any prepaid rents nor any security deposits paid by the subtenant. Landlord will not be liable for any other defaults of the Tenant under the sublease agreement.

(g) If Tenant, having first obtained Landlord's consent to any sublease or assignment, or if Tenant or a trustee in bankruptcy for Tenant, pursuant to Section 365 of the Bankruptcy Code, shall assign this Lease or sublet the Premises, or any part thereof, then in addition to the Rent then payable hereunder, Tenant shall pay to Landlord, as further additional rent on the first day of each month during the term of any such assignment or sublease, fifty percent (50%) of the amount, if any, by which (x) the Assigned Area Rent, less the actual out-of-pocket costs reasonably incurred by Tenant with unaffiliated third parties (including, without limitation, marketing costs, brokerage commissions, tenant finish work, and attorneys' fees) incurred in connection with such transaction, exceeds (y) the product of the Current Monthly Rent multiplied by the Assigned Area. As used herein:

(i) "Assigned Area" shall mean the number of square feet of Rentable Area of the Premises (in the case of an assignment or sublet of the entire Premises) or of the Rentable Area of any space sublet by Tenant (in the case of a sublet of less than the entire Premises).

(ii) "Current Monthly Rent" shall mean the aggregate of all Monthly Base Rent and monthly installments of Tenant's Proportionate Share of Estimated Taxes and of Estimated Expenses being paid by Tenant as of the effective date of an assignment or sublet, divided by the number of square feet of Rentable Area of the Premises.

(iii) "Assigned Area Rent" shall mean the current monthly base rent and other amounts payable by the subtenant or assignee for the Assigned

Area.

(h) Notwithstanding Section 13(a), Tenant may Transfer all or part of its interest in this Lease or all or part of the Premises (a " **Permitted Transfer** ") to the following types of entities (a " **Permitted Transferee** ") without the written consent of Landlord:

(i) an Affiliate of Tenant;

(ii) any corporation, limited partnership, limited liability partnership, limited liability company or other business entity in which or with which Tenant, or its corporate successors or assigns, is merged or consolidated, in accordance with applicable statutory provisions governing merger and consolidation of business entities, so long as:

(1) Tenant's obligations hereunder are assumed, by operation of law (reasonably documented by Tenant to Landlord) or by written assumption, by the entity surviving such merger or created by such consolidation; and

(2) either:

(i) the Tangible Net Worth of the surviving or created entity is not less than the Tangible Net Worth of Tenant immediately preceding such transaction; or

(ii) immediately following such Transfer Tenant is deemed to Meet Minimum Rating (as described in Section 3.3 of the Work Letter attached hereto as Exhibit D); or

(iii) any corporation, limited partnership, limited liability partnership, limited liability company or other business entity acquiring all or substantially all of Tenant's equity or assets, so long as:

(1) Tenant's obligations hereunder are assumed (which assumption shall be reasonably documented by Tenant to Landlord) by the entity acquiring such equity or assets; and

(2) either:

(i) the Tangible Net Worth of the surviving or created entity is not less than the Tangible Net Worth of Tenant immediately preceding such transaction; or

(ii) immediately following such Transfer Tenant is deemed to Meet Minimum Rating (as described in Section 3.3 of the Work Letter attached hereto as Exhibit D).

Tenant shall promptly notify Landlord of any such Permitted Transfer. Tenant shall remain liable for the performance of all of the obligations of Tenant hereunder, or if Tenant no longer exists because of a merger, consolidation, or acquisition, the surviving or acquiring entity shall expressly assume, by operation of law (reasonably documented by Tenant to Landlord) or by written assumption, the obligations of Tenant hereunder. Additionally, the Permitted Transferee shall comply with all of the terms and conditions of this Lease, including the Permitted Use, and the use of the Premises by the Permitted Transferee may not violate any other agreements affecting the Premises or the Real Property, Landlord or other tenants of the Building. No later than 30 days after the effective date of any Permitted Transfer, Tenant agrees to furnish Landlord with (a) copies of the instrument effecting any of the foregoing Transfers, (b) documentation establishing Tenant's satisfaction of the requirements set forth above applicable to any such Transfer, and (c) evidence of insurance as required under this Lease with respect to the Permitted Transferee. The occurrence of a Permitted Transfer shall not waive Landlord's rights as to any subsequent Transfers. " **Tangible Net Worth** " means the excess of total assets over total liabilities, in each case as determined in accordance with generally accepted accounting principles consistently applied (" **GAAP** "), excluding, however, from the determination of total assets all assets which would be classified as intangible assets under GAAP including goodwill, licenses, patents, trademarks, trade names, copyrights, and franchises. Any subsequent Transfer by a Permitted Transferee shall be subject to the terms of this Section 13. " **Affiliate** " means any person or entity which, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the party in question.

14. Waiver of Certain Claims; Indemnity by Tenant.

(a) To the extent permitted by law, Tenant waives all claims it may have against Landlord and its members, managers, officers, agents, and employees, beneficiaries, and their agents, servants, and employees (collectively, the " **Landlord Parties** ") for loss or damage to business or property sustained by Tenant or any occupant or other person resulting from the Premises or the Real Property or any part of said Premises or Real Property becoming out of repair or resulting from any accident within or adjacent to the Premises or Real Property or resulting directly or indirectly from any act or omission of Landlord or any occupant of the Premises or Real Property or any other person while on the Premises or the Real Property, regardless of cause or origin and **regardless of whether the negligence of Landlord caused such loss in whole or in part** , except that in respect of loss or damage to property, such waiver will be limited to the extent such claim is or would be covered by any insurance that Tenant is required to carry under Section 21(b)(i) to carry. The waiver in this grammatical paragraph will also apply as to the amount of any deductible, self-insured retention or self-insurance under Tenant's insurance. Particularly, but not in limitation of the foregoing sentence, all property belonging to Tenant or any occupant of the Premises that is in the Real Property or the Premises will be there at the risk of Tenant or other person only, and Landlord or its agents or employees will not be liable for loss or damage to or theft of or misappropriation of such property, nor for any loss or damage to property or business resulting from fire, explosion, flooding of basements or other subsurface areas, falling plaster, steam, gas, electricity, snow, water or rain which may leak from any part of the Real Property or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place or resulting from dampness or any other cause whatsoever, nor for any latent defect in the Premises or in the Real Property, except that in respect of property loss or damage such waiver will be limited to the extent that such claim is or would be covered by any insurance that Tenant is required under Section 21(b)(i) to carry. Tenant will give prompt notice to Landlord in case of fire or accidents in the Premises or in the Real Property or of defects therein or in the fixtures or equipment. Additionally, Tenant waives any claim it may have against Landlord for any loss, claim, damage, or injury, to the extent is caused by a terrorist act. All personal property belonging to the Tenant or any occupant of the Premises that is in the Building or the Premises shall be there at the risk of the Tenant or other person only and Landlord shall not be liable for loss or damage thereto or theft or misappropriation thereof. All vehicles parked in the Building's garage or in the parking lots shall be parked at the sole risk of the owner, and Landlord assumes no responsibility for any damage to or loss of vehicles.

To the extent permitted by law, Landlord waives all claims it may have against Tenant, its agents or employees for damage to the Real Property resulting directly or indirectly from any act or omission of Tenant, to the extent that such claim is covered by any property insurance which Landlord is required under Section 21(e) to carry on the Building. Landlord will include in any property insurance policy which Landlord may carry on the Building, to the extent permitted by law, a waiver of subrogation against Tenant. Tenant acknowledges that Landlord shall not carry insurance on, and shall not be responsible for damage to, or loss or theft of, any property of any Tenant Party located in or about the Real Property.

(b) Subject to the waivers set forth in this Section 14, and to the extent not expressly prohibited by law, Tenant agrees to hold the Landlord Parties

harmless and to indemnify each of them against claims and liabilities, including reasonable attorneys' fees, for injuries to all persons and damage to or theft or misappropriation or loss of property occurring in or about the Premises arising from Tenant's negligence or wrongful acts or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease or due to any other act or omission of the Tenant, its agents, or employees.

(c) Notwithstanding any provision in this Lease to the contrary, in no event shall either party hereto be liable to the other under this Lease for lost profits, lost savings, punitive, exemplary or any other consequential, special or indirect damages; provided that (i) the foregoing shall not be deemed to be a waiver by either party of any right such party may have pursuant to the terms of this Lease to be indemnified or held harmless by the other party from and against any of the foregoing losses or damages to the extent that such losses or damages are part of a claim of a third party from or against which such party is so entitled hereunder to be indemnified or held harmless, and (ii) the foregoing will not limit the consequential damages recoverable by Landlord pursuant to Section 10 (Holding Over) or Section 17(e). The waivers and indemnities under this Section 14 will survive the expiration or earlier termination of this Lease.

15. Damage or Destruction by Casualty.

(a) Repair Estimate . If the Premises or the Building are damaged by fire or other casualty (a " **Casualty** "), Landlord shall, within 90 days after such Casualty, deliver to Tenant a good faith estimate (the " **Damage Notice** ") of the time needed for Landlord to substantially complete its repairs of the damage caused by such Casualty.

(b) Tenant's Rights . If the Premises is damaged by Casualty such that Tenant is prevented from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Casualty and Landlord estimates that Landlord's repairs cannot be substantially completed within 365 days after the commencement of repairs (the " **Repair Period** "), then Tenant may terminate this Lease by delivering written notice to Landlord of its election to terminate within 30 days after the Damage Notice has been delivered to Tenant.

(c) Landlord's Rights . If a Casualty occurs and (1) Landlord estimates that Landlord's repairs cannot be substantially completed within the Repair Period, (2) the damage exceeds 50% of the replacement cost thereof (excluding foundations and footings), as estimated by Landlord, and such damage occurs during the last two years of the Term, (3) regardless of the extent of damage, the repairs for which Landlord is responsible are not fully covered by Landlord's insurance policies or Landlord makes a good faith determination that restoring such damage would be uneconomical, or (4) Landlord is required to pay any insurance proceeds arising out of the Casualty to a Landlord's Mortgagee, then Landlord may terminate this Lease by giving written notice of its election to terminate within 30 days after the Damage Notice has been delivered to Tenant.

(d) Repair Obligation . If neither party elects to terminate this Lease following a Casualty, then Landlord shall, within a reasonable time after such Casualty, begin to repair the Premises and shall proceed with reasonable diligence to restore the Premises to substantially the same condition as they existed immediately before such Casualty; however, Landlord shall not be required to repair or replace any improvements, alterations or betterments within the Premises (which shall be promptly and with due diligence repaired and restored by Tenant at Tenant's sole cost and expense) or any furniture, equipment, trade fixtures or personal property of Tenant or others in the Premises or the Building, and Landlord's obligation to repair or restore the Premises shall be limited to the extent of the insurance proceeds actually received by Landlord for the Casualty in question. If this Lease is terminated under the provisions of this Section 15, Landlord shall be entitled to the full proceeds of the insurance policies providing coverage for all alterations, improvements and betterments in the Premises (and, if Tenant has failed to maintain insurance on such items as required by this Lease, Tenant shall pay Landlord an amount equal to the proceeds Landlord would have received had Tenant maintained insurance on such items as required by this Lease).

(e) Abatement of Rent . If the Premises are damaged by Casualty, Base Rent and Additional Rent for the portion of the Premises rendered untenantable by the damage shall be abated on a reasonable basis from the date of damage until the completion of Landlord's repairs (or until the date of termination of this Lease by Landlord or Tenant as provided above, as the case may be). In the event of any such Casualty, and if this Lease is not terminated pursuant to the foregoing provisions of this Section 15, Tenant shall repair and restore any portion of alterations, additions or improvements in the Premises, and in such event Base Rent and Additional Rent for the portion of the Premises rendered untenantable by the damage shall be further abated until the earliest to occur of (i) the 10 th day after Tenant's substantial completion of Tenant's repair and restoration following substantial completion of Landlord's repair and restoration work; (ii) the date on which Tenant begins occupying such portion of the Premises for the conduct of business; and (iii) the 220 th day after substantial completion of Landlord's repairs.

16. Eminent Domain.

If all or a substantial part of the Building, or any part thereof which includes all or a substantial part of the Premises, shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, the Term of this Lease shall end upon and not before the date when the possession of the part so taken shall be required for such use or purpose, and without apportionment of the award to or for the benefit of Tenant. If any condemnation proceeding shall be instituted in which it is sought to take or damage any part of the Real Property, the taking of which would, in Landlord's opinion, prevent the economical operation of the Building, or if the grade of any street or alley adjacent to the Building is changed by any competent authority, and such taking or damage or change of grade makes it necessary or desirable to remodel the Building to conform to the taking or damage, Landlord shall have the right to terminate this Lease upon not less than ninety (90) days' notice prior to the date of termination designated in the notice. In either of the events above referred to, Rent shall be apportioned as of the date of the termination. No money or other consideration shall be payable by the Landlord to the Tenant for the right of termination, and the Tenant shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or the change of grade; provided, however, that Tenant shall have the right to pursue separately against the condemning authority, so long as Landlord's award is not reduced thereby, any award available separately to Tenant for Tenant's moving and relocation expenses.

17. Default; Landlord's Rights and Remedies.

(a) The occurrence of any one or more of the following matters constitutes an " **Event of Default** " by Tenant under this Lease:

(i) Failure by Tenant to pay Rent or any installment thereof within 5 days after Landlord has delivered written notice to Tenant that the same is delinquent; for purposes of this Lease, any statutory notice given by Landlord to Tenant in accordance with applicable law, including, without limitation, any statutory 5-day notice, will suffice for the notice referred to above in this Section 17(a);

(ii) Failure by Tenant to pay when due any other moneys required to be paid by Tenant under this Lease; if the due date for such amounts is not set forth in the written notice or invoice delivered to Tenant, then such amounts will be due within 30 days after delivery of the applicable notice or invoice;

(iii) Failure by Tenant to observe or perform any of the covenants in respect of assignment and subletting set forth in Section 13;

(iv) Failure by Tenant to immediately commence and continue to diligently effect a cure after receipt of written notice from Landlord, any hazardous condition which Tenant has created in violation of law or of this Lease;

(v) The occurrence of an Event of Default as described in Section 18 (Subordination) or Section 23 (Estoppel);

(vi) Failure by Tenant to observe or perform any other covenant, agreement, condition or provision of this Lease, if such failure shall continue for thirty (30) days after notice thereof from Landlord to Tenant, provided, however, that Tenant shall not be in default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within such thirty (30) day period Tenant commences such cure and diligently proceeds to complete the same at all times thereafter;

(vii) The levy upon or under execution or the attachment by legal process of the leasehold interest of Tenant, or the filing or creation of a lien in respect of such leasehold interest, which lien shall not be released or discharged within thirty (30) days from the date of such filing;

(viii) (intentionally omitted);

(ix) Tenant becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for Tenant or for the major part of his property;

(x) A trustee or receiver is appointed for the Tenant or for the major part of its property and is not discharged within thirty (30) days after such appointment; and

(xi) Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy law, or similar law for the relief of debtors, are instituted by or against Tenant, and, if instituted against Tenant, are allowed against it or are consented to by it or are not dismissed within sixty (60) days after such institution.

(b) If an Event of Default occurs which has not been cured or remedied during the applicable grace period, Landlord shall have the rights and remedies hereinafter set forth, which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Landlord of any other right or remedy allowed it by law:

(i) Landlord may terminate this Lease by giving to Tenant written notice of the Landlord's election to do so, in which event the Term of this Lease shall end, and all right, title and interest of the Tenant hereunder shall expire, on the date stated in such notice;

(ii) Landlord may terminate the right of the Tenant to possession of the Premises' without terminating this Lease by giving written notice to Tenant that Tenant's right of possession shall end on the date stated in such notice, whereupon the right of the Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice; and

(iii) Landlord may enforce the provisions of this Lease and may enforce and protect the rights of the Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from the Tenant under any of the provisions of this Lease.

Any notice required to be given by Landlord pursuant to this Section 17(b) may be given concurrently with a notice of default pursuant to Section 17(a).

(c) If Landlord exercises either of the remedies provided for in subparagraphs (i) or (ii) of the foregoing Section 17(b), Tenant shall surrender possession and vacate the Premises immediately and deliver possession thereof to the Landlord, and Landlord may then or at any time thereafter re-enter and take complete and peaceful possession of the Premises, with or without process of law, full and complete license to do so being hereby granted to the Landlord, and Landlord may remove all occupants and property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law. If Landlord exercises either of the remedies provided for in subparagraphs (i) or (ii) of the foregoing Section 17(b), the Allowances and any and all other allowances under this Lease will be forfeited to Landlord, and any Allowances or earnings thereon remaining in any escrow as described in the Work Letter will be disbursed by the escrowee to Landlord, to be retained by Landlord without credit to Tenant.

(d) If Landlord, pursuant to the provisions of Section 17(b)(ii) hereof, terminates the right of the Tenant to possession of the Premises without terminating this Lease, such termination of possession shall not release Tenant, in whole or in part, from Tenant's obligation to pay the Rent hereunder for the full Term, and Landlord shall have the right to immediate recovery of all amounts then due hereunder. In addition, Landlord shall have the right, from time to time, to recover from the Tenant, and the Tenant shall remain liable for, all Rent and any other sums thereafter accruing as they become due under this Lease during the period from the date of such notice of termination of possession to the stated end of the Term. In any such case, the Landlord may, but shall be under no obligation to (except to the extent required by law), relet the Premises or any part thereof for the account of the Tenant for such rent, for such time (which may be for a term extending beyond the Term of this Lease) and upon such terms as the Landlord in the Landlord's sole discretion shall determine, and the Landlord shall not be required to accept any tenant offered by the Tenant or to observe any instructions given by the Tenant relative to such reletting. Also in any such case the Landlord may make repairs, alterations and additions in or to the Premises and redecorate the same to the extent deemed by the Landlord necessary or desirable and in connection therewith change the locks to the Premises, and the Tenant shall upon demand pay the cost thereof together with the Landlord's expenses of reletting. Landlord may collect the rents from any such reletting and apply the same first to the payment of the expenses of reentry, redecoration, repair and alterations and the expenses of reletting and second to the payment of Rent herein provided to be paid by the Tenant, and any excess or residue shall operate only as an offsetting credit against the amount of Rent as the same thereafter becomes due and payable hereunder, but the use of such offsetting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely; provided that in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of the aggregate sum (including Base Rent and Additional Rent) which would have been paid by Tenant for the period for which the credit to Tenant is being determined, had no Event of Default occurred. No such re-entry or repossession, repairs, alterations and additions, or reletting shall be construed as an eviction or ouster of the Tenant or as an election on Landlord's part to terminate

this Lease unless a written notice of such intention be given to Tenant or shall operate to release the Tenant in whole or in part from any of the Tenant's obligations hereunder, and the Landlord may, at any time and from time to time, sue and recover judgment for any deficiencies from time to time remaining after the application from time to time of the proceeds of any such reletting.

(e) In the event of the termination of this Lease by Landlord as provided for by subparagraph (i) of Section 17(b), Landlord shall be entitled to recover from Tenant all the fixed dollar amounts of Rent accrued and unpaid for the period up to and including such termination date, as well as all other additional sums payable by the Tenant, or for which Tenant is liable or in respect of which Tenant has agreed to indemnify Landlord under any of the provisions of this Lease which may be then owing and unpaid, and all costs and expenses, including court costs and attorneys' fees incurred by Landlord in the enforcement of its rights and remedies hereunder, and in addition Landlord shall be entitled to recover as damages for loss of the bargain and not as a penalty (x) the unamortized cost to the Landlord, computed and determined in accordance with GAAP, of the tenant improvements and alterations, if any, paid for and installed by Landlord pursuant to this Lease or for which Landlord disbursed an allowance, and (y) the aggregate sum which at the time of such termination represents the excess, if any, of the present value of the aggregate rents at the same annual rate for the remainder of the Term as then in effect pursuant to the applicable provisions of Sections 1 and 2 of this Lease, over the then present value of the then aggregate fair rental value of the Premises for the balance of the Term, such present worth to be computed in each case on the basis of a per annum discount at one-half (1/2) of the corporate base rate of interest then in effect at the JP Morgan Chase Bank, N.A., from the respective dates upon which such rentals would have been payable hereunder had this Lease not been terminated, and (z) any damages in addition thereto, including reasonable attorneys' fees and court costs, which Landlord shall have sustained by reason of the breach of any of the covenants of this Lease other than for the payment of rent.

(f) All property removed from the Premises by Landlord pursuant to any provision of this Lease or of law may be handled, removed or stored by Landlord at the cost and expense of the Tenant, and the Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. Tenant shall pay Landlord for all reasonable expenses incurred by Landlord in such removal and storage charges against such property so long as the same shall be in Landlord's possession or under Landlord's control. All property not removed from the Premises or not retaken from storage by Tenant within thirty (30) days after the end of the Term (or termination of Tenant's right to possess the Premises), however terminated, shall be conclusively deemed to have been conveyed by Tenant to Landlord as by bill of sale without further payment or credit by Landlord to Tenant.

(g) If any action for breach of or to enforce any provision of this Lease is commenced, the court in such action shall award to the party in whose favor judgment is entered, a reasonable sum as attorneys' fees, which attorneys' fees shall be paid by the losing party in such action. Tenant shall pay all of Landlord's costs, charges, and expenses, including court costs and reasonable attorneys' fees, incurred by Landlord in any litigation in which Tenant causes the Landlord, without Landlord's fault, to become involved or concerned.

(h) In the event that Tenant shall file for protection under any Chapter of the Bankruptcy Code now or hereafter in effect, Landlord and Tenant agree, to the extent permitted by law, to request that the debtor-in-possession or trustee-in-bankruptcy, if one is appointed, assume or reject this Lease within sixty (60) days thereafter.

18. Subordination.

(a) This Lease shall be subordinate to any deed of trust, mortgage, or other security instrument (each, a " **Mortgage** "), or any ground lease, master lease, or primary lease (each, a " **Primary Lease** "), that now or hereafter covers all or any part of the Premises (the mortgagee under any such Mortgage, beneficiary under any such deed of trust, or the lessor under any such Primary Lease is referred to herein as a " **Landlord's Mortgagee** "); provided, however, such subordination with respect to any Mortgage first placed upon or recorded against the Premises or the Building as a whole after the date of this Lease will be conditioned upon the holder thereof executing a subordination, nondisturbance and attornment agreement substantially in the form of that attached hereto as Exhibit G , with such modifications thereto as approved by Tenant (which approval will not be unreasonably withheld, conditioned, or delayed). Landlord hereby represents that Landlord's interest in the Real Property is not encumbered by a Mortgage or Primary Lease (other than the Hewitt Lease) as of the date of this Lease. Any Landlord's Mortgagee may elect, at any time, unilaterally, to make this Lease superior to its Mortgage, Primary Lease, or other interest in the Premises by so notifying Tenant in writing. The provisions of this Section shall be self-operative and no further instrument of subordination shall be required; however, in confirmation of such subordination, Tenant shall execute and return to Landlord (or such other party designated by Landlord) within ten days after written request therefor such documentation, in recordable form if required, as a Landlord's Mortgagee may reasonably request to evidence the subordination of this Lease to such Landlord's Mortgagee's Mortgage or Primary Lease (provided that in the case of a Mortgage first placed upon or recorded against the Premises or the Building after the date of this Lease, such confirmation will be substantially in the form of that attached hereto as Exhibit G , with such modifications thereto as approved by Tenant (which approval will not be unreasonably withheld, conditioned, or delayed)) or, if the Landlord's Mortgagee so elects, the subordination of such Landlord's Mortgagee's Mortgage or Primary Lease to this Lease. If Tenant fails to execute and deliver such documentation to Landlord within such time, then Landlord may elect to send a second notice, advising Tenant that Tenant's failure to execute and deliver such documentation within 5 business days after delivery of such second notice will constitute an Event of Default, and if Landlord sends such second notice and if Tenant fails to execute and deliver such documentation within such 5 business days, such failure will constitute an Event of Default.

(b) Attornment . Tenant shall attorn to any party succeeding to Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, termination of lease, or otherwise, upon such party's request, and shall execute such agreements confirming such attornment as such party may reasonably request.

19. Mortgagee Protection.

If Landlord's Mortgagee shall succeed to the interest of Landlord under this Lease, Landlord's Mortgagee shall not be: (1) liable for any act or omission of any prior lessor (including Landlord); (2) bound by any rent or additional rent or advance rent which Tenant might have paid for more than the current month to any prior lessor (including Landlord), and all such rent shall remain due and owing, notwithstanding such advance payment; (3) bound by any security or advance rental deposit made by Tenant which is not delivered or paid over to Landlord's Mortgagee and with respect to which Tenant shall look solely to Landlord for refund or reimbursement; (4) bound by any termination, amendment or modification of this Lease made without Landlord's Mortgagee's consent and written approval, except for those terminations, amendments and modifications permitted to be made by Landlord without Landlord's Mortgagee's consent pursuant to the terms of the loan documents between Landlord and Landlord's Mortgagee; (5) subject to the defenses which Tenant might have against any prior lessor (including Landlord); nor (6) subject to the offsets which Tenant might have against any prior lessor (including Landlord) except for an Allowance Offset (as provided pursuant to Section 40 hereof) and except for those offset rights which (a) are expressly provided in this Lease, (b) relate to periods of time following the acquisition of the Building by Landlord's Mortgagee, and (c) Tenant has provided written notice to Landlord's Mortgagee and provided Landlord's Mortgagee a reasonable opportunity to cure the event giving rise to such offset event. Landlord's Mortgagee shall have no liability or responsibility under or pursuant to the terms of this Lease or otherwise after it ceases to own fee simple title to the Real Property. Nothing in this Lease shall be construed to

require Landlord's Mortgagee to see to the application of the proceeds of any loan, and Tenant's agreements set forth herein shall not be impaired on account of any modification of the documents evidencing and securing any loan. It is further agreed that (x) if any Mortgage shall be foreclosed, or if Primary Lease be terminated, (i) the liability of the mortgagee or trustee hereunder or purchaser at such foreclosure sale or the liability of a subsequent owner designated as Landlord under this Lease shall exist only so long as such trustee, mortgagee, purchaser, or owner is the owner of an interest in the Building or Land and such liability shall not continue or survive after further transfer of ownership. Tenant shall not seek to enforce any remedy it may have for any default on the part of Landlord without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail, to any Landlord's Mortgagee whose address has been given to Tenant, and affording such Landlord's Mortgagee a reasonable opportunity to perform Landlord's obligations hereunder.

20. Default Under Other Leases.

If the term of the Zebra Sublease shall be terminated or becomes terminable after the making of this Lease because of any default by Tenant under the Zebra Sublease, such fact shall empower Landlord, at Landlord's sole option, to terminate this Lease by notice to Tenant or to exercise any of the rights or remedies set forth in Section 17.

21. Subrogation and Insurance.

(a) Subrogation. Landlord and Tenant to have all physical damage or material damage insurance which may be carried by either of them, and Tenant agrees to have all business interruption insurance which it carries, endorsed to provide that any release from liability of, or waiver of claim for, recovery from the other party entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of said policy or the right of the insured to recover thereunder and providing further that the insurer waives all rights of subrogation which such insurer might have against the other party. Without limiting any release or waiver of liability or recovery contained in any other section of this Lease but rather in confirmation and furtherance thereof, each of the parties hereto waives all claims and rights of subrogation by their respective insurers for recovery from the other party for any loss or damage to any of its property or damages as a result of business interruption.

(b) Effective as of the earlier of (1) the date Tenant enters or occupies the Premises, or (2) the Commencement Date, and continuing throughout the Term, Tenant shall maintain the following insurance policies:

(i) Property . Causes of Loss – special form (formerly "all risk") property insurance (including extra expense insurance),

(1) on all of Tenant's trade fixtures and personal property in the Premises, and

(2) covering the full value of all alterations and improvements and betterments in the Premises including, without limitation, the Tenant Work, naming Landlord and Landlord's Mortgagee as additional loss payees as their interests may appear such alterations, improvements, and betterments,

In each case for the full replacement cost thereof. Tenant will use the proceeds from such insurance for the replacement of trade fixtures and personal property and for the restoration of any such improvements, alterations, and betterments.

(ii) Business Income . Business income insurance with sufficient limits for Tenant to sustain its business operation at this location for a period of not less than 12 months.

(iii) Worker's Compensation; Employer's Liability . Workers compensation insurance in statutory limits will be provided for all employees. The employers liability insurance will afford limits not less than $500,000 per accident, $500,000 per employee for bodily injury by disease, and $500,000 policy limit for bodily injury by disease.

(iv) Liability . Commercial general liability insurance with limits not less than $2,000,000 per occurrence and $2,000,000 general aggregate which insures against claims for bodily injury, personal injury, advertising injury, and property damage based upon, involving, or arising out of the use, occupancy, or maintenance of the Premises and the Real Property and including products and completed operations coverage. Such insurance shall include contractual liability and contain a standard separation of insureds provision. Any general aggregate limit will apply on a per location basis. Such insurance will name Landlord, its trustees and beneficiaries, Landlord's Mortgagee, Landlord's managing agent, Landlord's advisor, and their respective officers, directors, agents and employees, as additional insureds (the " **Required Additional Insureds** ").

(v) Umbrella Excess liability insurance, on an occurrence basis, that applies excess of required commercial general liability, and employers liability policies, which insures against bodily injury, property damage, personal injury and advertising injury claims with limits not less than $5,000,000 each occurrence and $5,000,000 aggregate. Such policy must include the Required Additional Insureds as additional insureds.

(vi) Business Auto Business auto liability with limits not less than $1,000,000 each accident, combined single limit for bodily injury and property damage, on "any auto" basis for Tenant owned, hired and non-owned autos. If Tenant has no owned autos, Tenant may provide hired and non-owned coverage.

(vii) Alterations; Moving . Tenant will provide to Landlord certificates of insurance including but not limited to workers compensation and employers liability, auto liability with limits not less than $1,000,000 each accident and commercial general liability insurance in the amount of not less than $1,000,000 or in limits as otherwise reasonably satisfactory to Landlord from Tenant's mover respecting moving into and moving out of the Premises, before Tenant moves into or out of the Premises.

Tenant shall secure, pay for, and maintain or cause Tenant's contractors to secure, pay for, and maintain during the performance of any alterations, additions, or improvements (including, without limitation, any initial leasehold improvements to be performed by Tenant's contractors pursuant to Exhibit D), insurance in the following minimum coverages and limits of liability.

i. Workmen's Compensation and Employer's Liability Insurance with limits of not less than $1 million and as required by any Employee Benefit Acts or other statutes applicable where the work is to be performed as will protect Tenant's contractors from liability under the aforementioned acts.

ii. Comprehensive General Liability Insurance (including Owner's and Contractors' Protective Liability) in an amount not less than $2 million per occurrence, whether involving bodily injury liability (or death resulting therefrom) or property damage liability or a combination thereof with a minimum aggregate limit of $2 million, and with umbrella coverage with limits not less than $10,000,000.00; provided, however, that if the cost of the work will not exceed $500,000, then such umbrella coverage may be omitted. Such insurance shall provide for explosion and collapse, completed operations coverage with a two-year extension after completion of the work, and broad form blanket contractual liability coverage and shall insure Tenant's Contractors against any and all claims for bodily injury, including death resulting therefrom and damage to the property of others and arising from its operations under the contracts whether such operations are performed by Tenant's contractors, or by anyone directly or indirectly employed by any of them.

iii. Comprehensive Automobile Liability Insurance, including the ownership, maintenance, and operation of any automotive equipment, owned, hired, or non-owned in an amount not less than $1 million for each person in one accident, and $1 million for injuries sustained by two or more

persons in any one accident and property damage liability in an amount not less than $1 million for each accident. Such insurance shall insure Tenant's Contractors against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts, whether such operations are performed by Tenant's Contractors, or by anyone directly or indirectly employed by any of them.

iv. "All-risk" builder's risk insurance upon the entire alterations, improvements and additions to the full insurable value thereof. This insurance shall include the interest of Landlord, Tenant (and their respective contractors and subcontractors of any tier to the extent of any insurable interest therein) in the alterations, improvements, and additions and shall insure against the perils of fire and extended coverage and shall include "all-risk" builder's risk insurance for physical loss or damage including, without duplication of coverage, theft, vandalism, and malicious mischief. If portions of the alterations, improvements and additions are stored off the site of the Real Property or in transit to said site are not covered under said "all-risk" builder's risk insurance, then Tenant shall effect and maintain similar property insurance on such portions of the alterations, improvements, and additions. Any loss insured under said "all-risk" builder's risk insurance is to be adjusted with Landlord and Tenant and made payable to Landlord as trustee for the insureds, as their interest may appear, subject to the agreement reached by said parties in interest, or in the absence of any such agreement, then in accordance with a final, non-appealable order of a court of competent jurisdiction. If after such loss no other special agreement is made, the decision to replace or not replace any such damaged alterations, improvements, and additions shall be made in accordance with the terms and provisions of this Lease including, without limitation, the Work Letter. The waiver of subrogation provisions contained in this Lease shall apply to the "all-risk" builder's risk insurance policy to be obtained by Tenant pursuant to this paragraph.

All insurance coverage to be provided by Tenant's contractors, subcontractors or movers must be required in a written contract between Tenant and its contractor and sub-contractors. Such contract must include a requirement to comply with the general insurance requirements set forth in this Section 21(b)(vii) as well as those in Section 21(c), and must contain an indemnity, including defense, of Landlord and Landlord's Required Additional Insureds. A signed copy of the contract must be provided to Landlord. All such liability insurance (except employers liability) must (1) include the Required Additional Insureds as additional insureds; (2) be considered primary insurance and (3) require commercial general liability insurance to include coverage for bodily injury, property damage, personal and advertising injury, contractual liability and products and completed operations coverage. The products and completed operations coverage must be maintained for a minimum of 2 years following completion of work. Tenant, its contractor and subcontractors will include Required Additional Insureds on the policy for full term of the work and the extended products and completed operations required time frame.

(c) All policies required to be carried by Tenant and Tenant's contractors, subcontractors and movers hereunder must be issued by and binding upon an insurance company licensed or authorized to do business in the state in which the property is located with an A.M. Best's Rating of at least "A-" "VIII" or better, unless otherwise acceptable to Landlord. Tenant will not do or permit anything to be done that would invalidate the insurance policies required. Liability insurance maintained by Tenant and Tenant's contractors, subcontractors and movers will be primary coverage without right of contribution by any similar insurance that may be maintained by Landlord. Certificates of insurance, reasonably acceptable to Landlord, evidencing the existence and amount of each liability insurance policy required hereunder and Evidence of Property Insurance Form, Acord 28, evidencing property insurance as required, will be delivered to Landlord prior to delivery or possession of the Premises and fifteen (15) days prior to each renewal date. Liability policies (except employers liability) will each include an endorsement naming the Required Additional Insureds such additional insured status. The Evidence of Property Insurance Form will name Landlord and Landlord's Mortgagee as loss payee for property insurance as respects Landlord's interest in improvements, alterations, and betterments. Further, the certificates must indicate that insurers will endeavor to provide at least 30 days' prior notice to Landlord and Landlord's managing agent prior to any cancellation of coverage.

If Tenant fails to provide evidence of insurance required to be provided by Tenant hereunder, prior to commencement of the term and thereafter during the term, within 10 days following Landlord's request thereof, and 10 days prior to the expiration date of any such coverage, Landlord will be authorized (but not required) to procure such coverage in the amount stated with all costs thereof, plus an administrative fee of 15% of such costs, to be chargeable to Tenant and payable upon written invoice thereof.

The limits of insurance required by this lease, or as carried by Tenant, will not limit the liability of Tenant or relieve Tenant of any obligation thereunder. Any deductibles selected by Tenant will be the sole responsibility of Tenant, and all such deductibles will be subject to Landlord's reasonable approval.

Landlord may, at its reasonable discretion, change the insurance policy limits and forms which are required to be provided by Tenant; such changes will be made to conform with common insurance requirements for similar properties in similar geographic locations. Landlord will not change required insurance limits or forms more often than once per calendar year.

(d) Tenant shall comply with all applicable laws and ordinances, all orders and decrees of court and all requirements of other governmental authority and all requirements of Landlord's insurance companies, and shall not directly or indirectly make any use of the Premises which may thereby be prohibited or be dangerous to person or property or which may jeopardize any insurance coverage, or may increase the cost of insurance or require additional insurance coverage. In the event of such increase in the cost of insurance or such requirement for additional insurance coverage, Tenant shall reimburse Landlord for the cost thereof.

(e) Throughout the Term of this Lease, Landlord shall maintain, as a minimum, the following insurance policies: (1) property insurance for the Building's replacement value (excluding property required to be insured by Tenant or by other tenants), less a commercially reasonable deductible if Landlord so chooses, and (2) commercial general liability insurance in an amount of not less than $3,000,000. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary. The cost of all insurance carried by Landlord with respect to the Real Property shall be included in Expenses. The foregoing insurance policies and any other insurance carried by Landlord shall be for the sole benefit of Landlord and under Landlord's sole control, and Tenant shall have no right or claim to any proceeds thereof or any other rights thereunder. Any insurance required to be maintained by Landlord may be taken out under a blanket insurance policy or policies covering other buildings, property or insureds in addition to the Building and Landlord. In such event, the costs of any such blanket insurance policy or policies shall be reasonably allocated to the Real Property and the other properties covered by such policy or policies as reasonably determined by Landlord and included as part of Expenses.

22. Nonwaiver.

No waiver of any condition expressed in this Lease shall be implied by any neglect of either party to enforce any remedy on account of the violation of such condition whether or not such violation be continued or repeated subsequently, and no express waiver shall affect any condition other than the one specified in such waiver and that one only for the time and in the manner specifically stated. Without limiting the provisions of Section 10, it is agreed that no receipt of moneys by Landlord from Tenant after the termination in any way of the Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given to Tenant prior to the receipt of such moneys. It is also agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any moneys due, and the payment of said moneys shall not waive or affect said notice, suit or judgment.

23. Estoppel Certificate.

From time to time, Tenant shall furnish to any party designated by Landlord, within ten days after Landlord has made a request therefor (provided that such request is made in connection with an actual or proposed sale, refinancing, or other bona fide transaction related to the Real Estate), a certificate signed by Tenant stating the following, as requested: (a) that this Lease is unmodified and in full force and effect, (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect); (b) the date the Lease commenced and the rent commencement date (if different); (c) whether Tenant has any options to renew or

extend the Lease Term or any options, rights of first refusal or rights of first offer to expand the Premises or to purchase the Real Property and whether Tenant has exercised any of those options; (d) whether Tenant has accepted and is now in full possession of the Premises, and whether Tenant has assigned the Lease, sublet all or any portion of the Premises, or otherwise transferred any interest in the Lease or the Premises; Tenant agrees to provide a copy of such assignment, sublease or transfer upon request; (e) the current monthly installments of Base Rent and Additional Rent, the dates to which such rental and other charges have been paid, and that no such rent has been paid for more than 30 days in advance of its due date; (f) the base year(s) or base amount(s), if any, for Tenant's Proportionate Share of Expenses and Taxes; (g) whether Tenant is currently receiving any rental concessions, rebates or abatements and, if so, the terms of such concession, rebate or abatement, including, without limitation, the date when such concession, rebate or abatement will expire; (h) whether Tenant is entitled to any future rent concessions, rebates or abatements under the Lease and, if so, the terms of the future concessions, rebates or abatements; (i) the amount of the Security Deposit or letter of credit paid to or delivered to Landlord; (j) whether Tenant has received any notice of prior sale, transfer assignment, hypothecation or pledge of the Lease or of the rents payable thereunder; (k) that all alterations, improvements, additions, build-outs or construction required to be performed under the Lease have been completed and any required allowances have been paid (or if not completed or paid, stating the nature of the deficiencies); (l) that Tenant is paying rent on a current basis with no offsets or claims, and there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord or of Tenant as is pertinent to the request (or specifying such offsets, claims or defaults, if any are claimed); and (m) such other matters as may be reasonably requested. If Tenant does not deliver to Landlord the certificate signed by Tenant within such required time period, then Landlord may elect to send a second notice, advising Tenant that Tenant's failure to execute and deliver such documentation within 5 business days after delivery of such second notice will constitute an Event of Default, and if Landlord sends such second notice and if Tenant fails to execute and deliver such documentation within such 5 business days, such failure will constitute an Event of Default.

24. Tenant Authority to Execute Lease.

In case Tenant is a corporation, Tenant (a) represents and warrants that this Lease has been duly authorized, executed, and delivered by and on behalf of the Tenant and constitutes the valid and binding agreement of the Tenant in accordance with the terms hereof; (b) Tenant shall deliver to Landlord or its agent, concurrently with the delivery of this Lease, executed by Tenant, certified resolutions of the board of directors (and shareholders, if required) authorizing Tenant's execution and delivery of this Lease and the performance of Tenant obligations hereunder; and (c) until Landlord is notified in writing of a substitute therefor, Tenant's Authorized Representative set forth in the Schedule of Significant Terms shall have full power and authority to take action on behalf of and to bind Tenant with respect to all matters relating to this Lease and the Premises.

25. Real Estate Brokers.

Neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Lease, other than the real estate broker or brokers disclosed in the Schedule of Significant Terms, whose commissions shall be paid by Landlord pursuant to separate written agreements. Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, liens and other liability for commissions or other compensation claimed by any other broker or agent claiming the same by, through, or under the indemnifying party.

26. Notices.

Landlord's address for delivery of Rent payments will be as follows or at such other place as Landlord may hereafter designate in writing:

The Northwestern Mutual Life Insurance Company
c/o Van Vlissingen and Co.
One Overlook Point , Suite 100
Lincolnshire, IL 60069

Any notice, request, demand, consent, approval, or other communication required or permitted under this Lease must be in writing and shall be deemed to have been given when (a) hand-delivered, effective upon receipt, (b) sent by nationally recognized overnight courier, effective upon on the business day immediately following acceptance by such carrier for next business day delivery, or (c) sent by certified mail, return receipt requested, addressed to the party for whom it is intended at its address set forth in the Schedule of Significant Terms, deposited in the United States Mail, with postage thereon fully prepaid, effective on the day of actual delivery as shown by the addressee's return receipt or the expiration of three (3) business days after the date of mailing, whichever is earlier, or (d) sent by facsimile transmission, effective upon receipt provided that a hard copy is delivered by one of the methods outlined in clauses (a) through (c) above within three (3) days thereafter. Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving ten (10) days' prior written notice of such change to the other party in the manner prescribed in this Section 26, but all such addresses must be physical addresses in the continental United State. Tenant is advised and acknowledges that until further notice to Tenant, Van Vlissingen and Co., the present property manager for the Building and agent of Landlord, has authority to execute and deliver notices hereunder to Tenant on behalf of Landlord.

27. Financial Statements.

During the Term upon request by Landlord, Tenant shall deliver to Landlord Tenant's audited financial statements for the most recently completed fiscal year of Tenant, or if Tenant does not normally prepare audited financial statements, unaudited financial statements for the most recent fiscal year prepared in accordance with generally accepted accounting principles consistently applied and certified as true, correct and complete by the chief financial officer of Tenant. Landlord shall endeavor to ensure that all financial statements furnished by Tenant are kept confidential by Landlord and any Landlord's Mortgagee or prospective purchaser that may receive the same, and that such statements are used only for the purpose of assessing the credit-worthiness of Tenant as a tenant. Notwithstanding the foregoing provisions of this Section 27 to the contrary, so long as (i) Tenant is a publicly traded corporation listed on Nasdaq under the symbol "ZBRA"; and (ii) Tenant's annual report and audited financial statements for the most recently completed fiscal year of Tenant are available on Tenant's website, at http://investors.zebra.com/, or are publicly and readily available from other sources such as the United States Securities and Exchange Commission, then Tenant will not be required to deliver such financial statements to Landlord.

28. Miscellaneous.

(a) Each provision of this Lease shall extend to and shall bind and inure to the benefit not only of Landlord and Tenant, but also their respective heirs, legal representatives, successors, and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge, or subletting contrary to the provisions of Section 13.

(b) No modification, waiver, or amendment of this Lease or of any of its conditions or provisions shall be binding upon Landlord or Tenant unless in writing and signed by Landlord and Tenant.

(c) Submission of this instrument for examination shall not constitute a reservation of or option for the Premises or in any manner bind Landlord and no lease or obligation on Landlord shall arise until this instrument is signed and delivered by Landlord and Tenant; provided, however, the execution and delivery by Tenant of this Lease to Landlord or the agent of Landlord's beneficiary shall constitute an irrevocable offer by Tenant to lease the Premises on the terms and conditions herein contained, which offer may not be revoked for thirty (30) days after such delivery.

(d) The word "Tenant" whenever used herein shall be construed to mean Tenants or any one or more of them in all cases where there is more than one Tenant; and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other organizations, partnerships, or other entities, or individuals, shall in all cases be assumed as though in each case fully expressed. In all cases where there is more than one Tenant, the liability of each

shall be joint and several.

(e) Clauses, plats, and riders, if any, signed by Landlord and Tenant and endorsed on or affixed to this Lease are part hereof and in the event of variation or discrepancy the duplicate original hereof, including such clauses, plats, and riders, if any, held by Landlord shall control.

(f) The headings of Sections are for convenience only and do not limit, expand, or construe the contents of the Sections.

(g) Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer, or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any other provisions contained in this Lease nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

(h) Time is of the essence of this Lease and of each and all provisions thereof.

(i) All past due payments required of Tenant hereunder shall bear interest from the date due until paid at the Default Rate. The term " **Default Rate** " means a rate of interest equal to 10% per annum (the " **Fixed Rate** "); provided, however, that as to any calendar month for which such interest is being calculated, if the Fixed Rate is less than 400 basis points over the Prime Rate (defined below) in effect on the first day of such calendar month, then the Default Rate for such calendar month will be the Prime Rate in effect on the first day of such calendar month plus 400 basis points; provided, further, that if the Default Rate as calculated above results in an interest rate that is higher than the maximum lawful rate, then the Default Rate will be the maximum lawful rate. For purposes hereof, the " **Prime Rate** " means the rate of interest announced from time to time by J.P. Morgan Chase, Chicago, Illinois (or any successor), as its "prime rate" or "corporate base rate," changing as and when such rate changes, or if such rate is no longer in existence, then such other "prime rate" as may be designated by Landlord. Additionally, Landlord, in addition to all other rights and remedies available to it, may charge Tenant a late fee equal to the greater of (a) five percent of the delinquent payment, or (b) $250, to reimburse Landlord for its cost and inconvenience incurred as a consequence of Tenant's delinquency. In no event, however, shall the charges permitted under this Section or elsewhere in this Lease, to the extent they are considered to be interest under applicable law, exceed the maximum lawful rate of interest. Notwithstanding the foregoing, the late fee referenced above shall not be charged with respect to the first occurrence (but not any subsequent occurrence) during any 12-calendar month period that Tenant fails to make payment when due, until five (5) business days after Landlord delivers written notice of such delinquency to Tenant.

(j) The legal invalidity of any provision of this Lease shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Lease.

(k) All understandings and agreements, oral or written, heretofore made between the parties hereto are merged in this Lease, which alone fully and completely expresses the agreement between Landlord (and its beneficiary and their agents) and Tenant.

(l) This Lease (and amendments to this Lease) may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one document. Signature pages may be detached from the counterparts and attached to a single copy of this Lease to physically form one document.

(m) This Lease constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to the other with respect to this Lease or the obligations of Landlord or Tenant in connection therewith. Except as otherwise provided herein, no subsequent alteration, amendment, change or addition to this Lease shall be binding unless in writing and signed by Landlord and Tenant. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Lease or any exhibits or amendments hereto.

(n) TO THE MAXIMUM EXTENT PERMITTED BY LAW, TENANT (ON BEHALF OF ITSELF AND ITS RESPECTIVE SUCCESSORS, ASSIGNS AND SUBTENANTS) AND LANDLORD EACH, AFTER CONSULTATION WITH COUNSEL, KNOWINGLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LITIGATION OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE ARISING OUT OF OR WITH RESPECT TO THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO. Tenant will not interpose any counterclaim of any kind in any action or proceeding by Landlord to recover possession of the Premises based on nonpayment of rent except for 'compulsory' counterclaims, if any, which would be lost if not raised at such action or proceeding and could not be brought in a separate action or proceeding.

(o) This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are located.

(p) Tenant shall not record this Lease or any memorandum of this Lease without the prior written consent of Landlord, which consent may be withheld or denied in the sole and absolute discretion of Landlord, and any recordation by Tenant shall be a material breach of this Lease. Tenant grants to Landlord a power of attorney to execute and record a release releasing any such recorded instrument of record that was recorded without the prior written consent of Landlord.

(q) To the extent Tenant or its agents or employees discover any water leakage, water damage or mold in or about the Premises or Building, Tenant shall promptly notify Landlord thereof in writing or via email.

(r) Landlord may from time to time elect to designate a lock box collection agent (independent agent, bank or other financial institution) to act as Landlord's agent for the collection of amounts due Landlord. In such event the date of payment of rent or other sums paid Landlord through such agent will be the date of agent's receipt of such payment (or the date of collection of any such sum if payment is made in the form of a negotiable instrument thereafter dishonored upon presentment); however, for purposes of this Lease, no such payment or collection will be deemed "accepted" by Landlord if Landlord issues a check payable to the order of the Tenant in the amount sent to the lock box and if Landlord mails the check to the Tenant addressed to the place designated in this lease for notice to Tenant within 21 days after the amount sent by the Tenant is received by the lock box collection agent or if the Landlord returns a dishonored instrument within 21 days of its dishonor. Notwithstanding anything to the contrary in this subsection, Landlord will not invoke its rights under this subsection unless an Event of Default then exists under this Lease. Return of any such sum to Tenant by so sending such a check of the Landlord or by so sending a dishonored instrument to the Tenant within the appropriate 21-day period will be deemed to be rejection of Tenant's tender of such payment for all purposes as of the date of Landlord's lock box collection agent's receipt of such payment (or collection). The return of Tenant's payment in the manner described in this paragraph will be deemed not to be a waiver of any breach by Tenant of any term, covenant or condition of this Lease nor a waiver of any of Landlord's rights or remedies granted in this Lease. The

possession of Tenant's funds or negotiation of Tenant's negotiable instrument by Landlord's agent or Landlord during the applicable 21-day period will be deemed not to be a waiver of any defaults of Tenant or any rights of Landlord theretofore accrued nor shall any such possession or negotiation be considered an acceptance of Tenant's tender.

(s) Whenever a period of time is herein prescribed for the taking of any action by Landlord, Landlord will not be liable or responsible for, and there will be excluded from the computation of such period of time, any delays due to strikes, riots, acts of God, adverse weather conditions not reasonably anticipated, shortages of labor or materials, war, acts of terrorism or bioterrorism, governmental laws, regulations or restrictions, inability to obtain necessary governmental permits and approvals (including building permits or certificates of occupancy), inability to obtain necessary approvals by any applicable property association or its board of directors, financing, or any other cause whatsoever beyond the reasonable control of Landlord.

(t) Nothing contained in this Lease will be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent, nor any other provision contained herein, nor any acts of the parties herein, will be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant. This Lease is made for the sole benefit of Landlord and Tenant and, in the case of Sections 18 and 19, Landlord's Mortgagee, and their respective successors and assigns (subject to the limitations on assignment set forth above), and no other person or persons shall have any right or remedy or other legal interest of any kind under or by reason of this Lease. Whether or not either party hereto elects to employ any or all the rights, powers or remedies available to it hereunder, such party shall have no obligation or liability of any kind to any third party by reason of this Agreement or by reason of any of such party's actions or omissions pursuant hereto or otherwise in connection with this Lease or the transactions contemplated hereby.

(u) This Lease does not create, nor will Tenant have, any express or implied easement for or other rights to air, light or view over or about the Real Property or any part thereof.

(v) The section or subsection headings are used for convenience of reference only and do not define, limit or extend the scope or intent of the sections.

(w) Tenant acknowledges that the terms and conditions of this Lease are to remain confidential for Landlord's benefit, and may not be disclosed by Tenant to anyone, by any manner or means, directly or indirectly, without Landlord's prior written consent; however, Tenant may disclose the terms and conditions of this Lease to its attorneys, accountants, employees and existing or prospective financial partners, **or if required by Law or court order** , provided, except to the extent that such disclosure is required by Law or court order, all parties to whom Tenant is permitted hereunder to disclose such terms and conditions are advised by Tenant of the confidential nature of such terms and conditions and agree to maintain the confidentiality thereof (in each case, prior to disclosure). Tenant shall be liable for any disclosures made in violation of this Section by Tenant or by any entity or individual to whom the terms of and conditions of this Lease were disclosed or made available by Tenant. The consent by Landlord to any disclosures shall not be deemed to be a waiver on the part of Landlord of any prohibition against any future disclosure.

29. Landlord's Authority and Quiet Enjoyment.

Landlord covenants and represents that it has full and complete authority to enter into this Lease under all of the terms, conditions, and provisions set forth herein. Provided Tenant has performed all of its obligations hereunder, Tenant shall peaceably hold and enjoy the Premises for the Term, without hindrance from Landlord or any party claiming by, through, or under Landlord, but not otherwise, subject to the terms and conditions of this Lease and all matters of record as of the date of this Lease which are applicable to the Premises.

30. Landlord.

The term "Landlord" as used in this Lease means only the owner or owners at the time being of the Building so that in the event of any assignment, conveyance, or sale, once or successively, of the Building, or any assignment of this Lease by Landlord, said Landlord making such sale, conveyance, or assignment shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder accruing after such sale, conveyance, or assignment, and Tenant agrees to look solely to such purchaser, grantee, or assignee with respect thereto. This Lease shall not be affected by any such assignment, conveyance, or sale, and Tenant agrees to attorn to the purchaser, grantee, or assignee.

31. Title and Covenant Against Liens.

The Landlord's title is and always shall be paramount to the title of the Tenant and nothing in this Lease contained shall empower the Tenant to do any act which can, shall, or may encumber the title of the Landlord. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen to be placed upon or against the Real Property, the Land, the Building, or the Premises or against the Tenant's leasehold interest in the Premises and, in case of any such lien attaching, to immediately pay and remove same. Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law, or otherwise, to attach to or be placed upon the Real Property, Land, Building, or Premises, and any and all liens and encumbrances created by Tenant shall attach only to Tenant's interest in the Premises. If any such liens so attach and Tenant fails to pay and remove same within ten (10) days, Landlord, at its election, may pay and satisfy the same and in such event the sums so paid by Landlord, with interest from the date of payment at the rate set forth in Section 28(i) hereof for amounts owed Landlord by Tenant. Such sums shall be deemed to be additional rent due and payable by Tenant at once without notice or demand. Tenant shall defend, indemnify and hold harmless Landlord and Landlord Parties from and against all claims, demands, causes of action, suits, judgments, damages and expenses (including attorneys' fees) in any way arising from or relating to the failure by any Tenant Party to pay for any work performed, materials furnished, or obligations incurred by or at the request of a Tenant Party. This indemnity provision shall survive termination or expiration of this Lease.

32. Intentionally Omitted.

33. Parking.

During the Term, Tenant will have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord.

Tenant's use (including such use by Tenant's servants, employees, customers, invitees and guests) of the Building's parking areas (including, without limitation, unassigned parking and any assigned parking now or hereafter granted to Tenant from time to time) may not exceed 3.5 parking spaces per 1,000 rentable square feet in the Premises. No specific designated parking spaces will be assigned to Tenant unless otherwise agreed by Landlord and Tenant in writing. Landlord will have the right to reserve parking spaces as it elects and condition use thereof on such terms as it elects. Based on the rentable area of the initial Premises (230,870 rsf), Tenant's initial maximum parking allocation will be 808 parking spaces. If Landlord reasonably determines that Tenant is exceeding its parking ratio, and such situation occurs or continues after Landlord so notifies Tenant, then Landlord may elect, in its sole and absolute discretion, to implement one or more parking controls, such as, without limitation, cordoning off a section of the parking area and reserving it for one or more tenants being negatively affected by Tenant's excessive parking use, and in such event Tenant will reimburse Landlord for Landlord's actual out-of-pocket costs incurred in connection therewith.

Irrespective of whether Landlord initiates parking management controls as discussed below, Tenant shall not use, or permit or suffer Tenant Parties to use in the aggregate, more than the number of parking spaces allocated to Tenant as set forth above. Tenant shall not use, or permit or suffer Tenant Party to use, any parking spaces associated with Two Overlook Point. In addition to Landlord's other rights and remedies (all of which will be cumulative), Landlord may elect at any time, in its sole and absolute discretion, with 30 days' prior written notice to Tenant, to institute parking controls such as, without limitation (and without obligation), parking stickers or permits, parking cards with gated access, or assigned parking spaces or assigned parking sections. If Landlord initiates parking controls, then Landlord will issue to Tenant such parking stickers, permits, cards, or other evidence of parking rights or means of parking access corresponding to the number of parking spaces allocated to Tenant pursuant to this Section 33. In addition to Landlord's other rights and remedies (all of which will be cumulative), Landlord may enforce such parking restrictions and limitations through such means as Landlord may elect, such as, without limitation, the following, as to any vehicle of a Tenant Party exceeding Tenant's allocated parking, or as to any vehicle not displaying the required parking permit evidence: placing a warning sticker on the window of the vehicle; a charge of $100 per space per day or partial day (which amount is to be paid by Tenant as additional rent within 30 days after receipt of invoice from time to time); booting offending vehicles; and towing offending vehicles.

All such parking shall be subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Tenant, its servants, employees, customers, invitees, and guests shall, when using the parking facilities in and around the Building, observe and obey all signs regarding fire lanes, no parking zones, driving speed zones and designated reserved, visitor and handicapped spaces, and when parking, always park between the designated lines. If required by Landlord, Tenant shall cause its servants, employees, customers, invitees and guests who utilize the Tenant's allotted parking spaces, to display stickers or decals provided by Landlord in their vehicles. Landlord reserves the right to tow away, at the expense of the owner, any vehicle which is improperly parked or parked in a no parking zone, or designated visitor, reserved or handicapped area, or any vehicle that does not display a sticker or decal if required by Landlord.

Landlord will not be responsible for money, jewelry, automobiles or other personal property lost in or stolen from the Building's parking areas, or for vandalism to automobiles occurring in the Building's parking areas, it being agreed that, to the fullest extent permitted by law, the use of the Building's parking areas will be at the sole risk of Tenant and its employees. Landlord will have the right to temporarily close the Building's parking areas to perform necessary repairs, maintenance and improvements to the parking areas.

34. Intentionally Omitted (Security Deposit).

35. Exculpatory Provisions.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings, and agreements herein made on the part of any Landlord while in form purporting to be the representations, warranties, covenants, undertakings, and agreements of such Landlord are nevertheless each and every one of them made and intended, not as personal representations, warranties, covenants, undertakings, and agreements by such Landlord or for the purpose or with the intention of binding such Landlord personally, but are made and intended for the purpose only of subjecting such Landlord's interest in the Building, the Land and the Premises to the terms of this Lease and for no other purpose whatsoever, and in case of default hereunder by any Landlord (or default through, under, or by any of its beneficiaries, or agents or representatives of said beneficiaries), the Tenant shall look solely to the interests of such Landlord in the Building and Land; that no Landlord nor any of its members or beneficiaries shall have any personal liability to pay any indebtedness accruing hereunder or to perform any covenant, either express or implied, herein contained and no liability or duty shall rest upon any Landlord which is a land trust to sequester the trust estate or the rents, issues, and profits arising therefrom, or the proceeds arising from any sale or other disposition thereof; that no personal liability or personal responsibility of any sort is assumed by, nor shall at any time be asserted or enforceable against, Landlord, Landlord's members, officers, directors, agents or employees, or any beneficiaries under any land trust which may become the owner of the Land or Building, on account of this Lease or on account of any representation, warranty, covenant, undertaking, or agreement of Landlord in this Lease contained, either express or implied, all such personal liability, if any, being expressly waived and released by Tenant and by all persons claiming by, through, or under Tenant; and that this Lease is executed and delivered by the undersigned Landlord not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee. Landlord and Tenant hereby acknowledge that Van Vlissingen and Co. is acting as agent and property manager of Landlord only. Van Vlissingen and Co. shall not be held liable to Tenant for the fulfillment or non-fulfillment of any of the terms and conditions of this Lease or for any action or proceedings that may be taken by Landlord against Tenant.

36. Prohibited Persons and Transactions.

Tenant represents and warrants that neither Tenant nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Assets Control (" **OFAC** ") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not Transfer this Lease to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

37. Electronic Services.

(a) Tenant's Lines . Tenant may, in a manner consistent with the provisions and requirements of this Lease, install, maintain, replace, remove or use any communications or computer or other electronic service wires, cables and related devices (collectively the " **Lines** ") at the Building in or serving the Premises, provided: (a) Tenant shall obtain Landlord's prior written consent, which consent may be conditioned as required by Landlord, (b) if Tenant at any time uses any equipment that may create an electromagnetic field exceeding the normal insulation ratings of ordinary twisted pair riser cable or cause radiation higher than normal background radiation, the Lines therefor (including riser cables) shall be appropriately insulated to prevent such excessive electromagnetic fields or radiation, and (c) Tenant shall pay all costs in connection therewith. Landlord reserves the right to require that Tenant remove any Lines that are installed in violation of these provisions. Tenant shall not, without the prior written consent of Landlord in each instance, grant to any third party a security interest or lien in or on the Lines, and any such security interest or lien granted without Landlord's written consent shall be null and void.

(b) Definition of Electronic Services. As used herein " **Electronic Services Provider** " means a business which provides telephone, telegraph, telex, video, other telecommunications or other services which permit Tenant to receive or transmit information by the use of electronics and which require the use of wires, cables, antennas or similar devices in or on the Building. The services of Electronic Services Providers are sometimes referred to herein as " **Electronic Services** ."

(c) No Right to Specific Services . Landlord shall have no obligation (i) to install any Electronic Services equipment or facilities, (ii) to make available to Tenant the services of any particular Electronic Services Provider, (iii) to allow any particular Electronic Services Provider access to the Building, (iv) to continue to grant access to an Electronic Services Provider once such provider has been given access to the Building. Landlord may (but shall not have the obligation to): (x) install new Lines at the property, (y) create additional space for Lines at the property, and (z) adopt reasonable and uniform rules and regulations with respect to Lines.

(d) Limitation of Landlord's Responsibility. Tenant acknowledges and agrees that all Electronic Services desired by Tenant shall be ordered and utilized at the sole expense of Tenant. Unless Landlord otherwise requests or consents in writing, all of Tenant's Electronic Services equipment shall be and remain solely in the Tenant's premises and the telephone closet(s) on the floor(s) on which the Tenant's premises is located, in accordance with rules and regulations adopted by Landlord from time to time. Unless otherwise specifically agreed to in writing, Landlord shall have no responsibility for the maintenance of Tenant's

Electronic Services equipment, including Lines; nor for any Lines or other infrastructure to which Tenant's Electronic Services equipment may be connected. Tenant agrees that, to the extent any Electronic Services are interrupted, curtailed or discontinued, Landlord shall have no obligation or liability with respect thereto and it shall be the sole obligation of Tenant at its own expense to obtain substitute service. Except to the extent arising from the intentional or grossly negligent acts of Landlord or Landlord's agents or employees, Landlord shall have no liability for damages arising from, and Landlord does not warrant that Tenant's use of any Lines will be free from the following (collectively called "Line Problems"): (x) any eavesdropping or wire-tapping by unauthorized parties, (y) any failure of any Lines to satisfy Tenant's requirements, or (z) any shortages, failures, variations, interruptions, disconnections, loss or damage caused by the installation, maintenance, replacement, use or removal of Lines by or for other tenants or occupants at the property. Under no circumstances shall any Line Problems be deemed an actual or constructive eviction of Tenant, render Landlord liable to Tenant for abatement of Rent, or relieve Tenant from performance of Tenant's obligations under this Lease. Landlord in no event shall be liable for damages by reason of loss of profits, business interruption or other consequential damage arising from any Line Problems.

(e) Necessary Service Interruptions. Landlord shall have the right, upon reasonable prior notice to Tenant, to interrupt or turn off Electronic Services facilities in the event of emergency or as necessary in connection with maintenance, repairs or construction at the Building or installation of Electronic Services equipment for other tenants of the Building or on account of violation by the Electronic Services Provider or owner of the Electronic Services equipment of any obligation to Landlord or in the event that Tenant's use of the Electronic Services infrastructure of the Building materially interferes with the Electronic Services of other tenants of the Building. The costs incurred by Landlord in connection with such interruption or turning off of Electronic Services will be borne by Landlord (unless and except to the extent that the same may be included in Expenses) unless such interruption or turning off of Electronic Services is necessary or appropriate due to any breach or default by Tenant or its Electronic Services provider.

(f) Removal of Equipment and Other Facilities. Any and all Electronic Services equipment installed in the Tenant's Premises or elsewhere in the Building by or on behalf of Tenant, shall be removed prior to the expiration or earlier termination of the Lease term, by Tenant at its sole cost; if Tenant fails to do so, then Landlord may, at Landlord's election but without obligation, remove the same at Tenant's sole cost, with the cost thereof to be paid as additional rent. However, Tenant will not be required to remove its Lines from the Premises so long as each end of each such Line is terminated with a connector (and not just snipped off) and labeled.

(g) New Provider Installations. In the event that Tenant wishes at any time to utilize the services of an Electronic Services Provider whose equipment is not then servicing the Building, no such Electronic Services Provider shall be permitted to install its Lines or other equipment within the Building without first securing the prior written approval of the Landlord. Landlord's approval shall not be deemed any kind of warranty or representation by Landlord, including, without limitation, any warranty or representation as to the suitability, competence, or financial strength of the Electronic Services Provider. Without limitation of the foregoing standard, unless all of the following conditions are satisfied to Landlord's satisfaction, it shall be reasonable for Landlord to refuse to give its approval: (i) Landlord shall incur no current expense or risk or future expense whatsoever with respect to any aspect of the Electronic Services Provider's provision of its Electronic Services, including without limitation, the costs of installation, materials and services; (ii) prior to commencement of any work in or about the Building by the Electronic Services Provider, the Electronic Services Provider shall supply Landlord with such written indemnities, insurance, financial statements, and such other items as Landlord reasonably determines to be necessary to protect its financial interests and the interests of the Building relating to the proposed activities of the Electronic Services Provider; (iii) the Electronic Services Provider agrees to abide by such rules and regulations, Building and other codes, job site rules and such other requirements as are reasonably determined by Landlord to be necessary to protect the interests of the Building, the tenants in the Building and Landlord, in the same or similar manner as Landlord has the right to protect itself and the Building with respect to proposed alterations as described in Section 6 of this Lease; (iv) Landlord reasonably determines that, considering other potential uses for space in the Building, there is sufficient space in the Building for the placement of all of the provider's equipment, conduit, Lines and other materials; (v) the Electronic Services Provider agrees to abide by Landlord's requirements, if any, that provider use existing Building conduits and pipes or use Building contractors (or other contractors approved by Landlord); (vi) Landlord receives from the Electronic Services Provider such compensation as is reasonably determined by Landlord to compensate it for space used in the Building for the storage and maintenance of the Electronic Services Provider's equipment, for the fair market value of an Electronic Services Provider's access to the Building, for the use of common or core space within the Building and the costs which may reasonably be expected to be incurred by Landlord; (vii) the provider agrees to deliver to Landlord detailed "as built" plans immediately after the installation of the provider's equipment is complete; and (viii) all of the foregoing matters are documented in a written license agreement between Landlord and the provider, the form and content of which is reasonably satisfactory to Landlord. Landlord may at any time and without notice require that any wires or cables that Tenant desires to have installed in the Building risers be installed at Tenant's cost by the riser management company (if any) then engaged by Landlord for such purpose.

(h) Limit of Default or Breach . Notwithstanding any provision of the preceding paragraphs to the contrary, the refusal of Landlord to grant its approval to any prospective Electronic Services Provider shall not be deemed a default or breach by Landlord of its obligation under this Lease unless and until Landlord is adjudicated to have acted recklessly or maliciously with respect to Tenant's request for approval, and in that event, Tenant shall still have no right to terminate the Lease or claim an entitlement to rent abatement, but may as Tenant's sole and exclusive recourse seek a judicial order of specific performance compelling Landlord to grant its approval as to the prospective provider in question. The provisions of this paragraph may be enforced solely by Tenant and Landlord, are not for the benefit of any other party, and specifically but without limitation, no telephone or other Electronic Services Provider shall be deemed a third party beneficiary of this Lease.

(i) Installation and Use of Wireless Technologies. Tenant shall not utilize any wireless Electronic Services equipment (other than usual and customary cellular telephones), including antennae and satellite receiver dishes, within the Tenant's premises, within the Building or attached to the outside walls or roof of the Building, without Landlord's prior written consent. Such consent may be conditioned in such a manner so as to protect Landlord's financial interests and the interests of the Building, and the other tenants therein, in a manner similar to the arrangements described in the immediately preceding paragraphs.

(j) Limitation of Liability For Equipment Interference. In the event that Electronic Services equipment, Lines and facilities or satellite and antennae equipment of any type installed by or at the request of Tenant within the Tenant's premises, on the roof, or elsewhere within or on the Building causes interference to equipment used by another party outside of the Premises, and if such other party's equipment (with which Tenant's equipment interferes) was installed before the installation of Tenant's interfering equipment, Tenant shall cease using such equipment, Lines and facilities or satellite and antennae equipment (as the case may be) until the source of the interference is identified and eliminated and Tenant shall assume all liability related to such interference. Tenant shall cooperate with Landlord and other parties, to eliminate such interference promptly. In the event that Tenant is unable to do so, Tenant will substitute alternative equipment which remedies the situation. If such interference persists, Tenant shall, at Landlord's sole discretion, remove such equipment. Landlord will include in all other leases of space in the Building entered into after the date of this Lease, a provision obligating such tenants to prevent their Electronic Services equipment from interfering with pre-existing Electronic Services equipment of other tenants.

38. Hazardous Materials.

(a) For purposes of this Lease, "hazardous materials" means any explosives, radioactive materials, petroleum products, hazardous wastes, or hazardous substances, including without limitation substances defined as "hazardous substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601-9657; the Hazardous Materials Transportation Act of 1975, 49 U.S.C. Section 1801-1812; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901-6987; or any other federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning hazardous materials, waste, or substances now or at any time hereafter in effect (collectively, "hazardous materials laws").

(b) Tenant shall not cause or permit the storage, use, generation, or disposition of any hazardous materials in, on, or about the Premises or the Project by Tenant, its agents, employees, or contractors or invitees. Tenant shall not permit the Premises to be used or operated in a manner that may cause the Premises or the Project to be contaminated by any hazardous materials in violation of any hazardous materials laws or result in the diminution of the value of the Building or Project or degradation of structural materials of the Premises. Tenant shall immediately advise Landlord in writing of (1) any and all enforcement, cleanup, remedial, removal, or other governmental or regulatory actions instituted, completed, or threatened pursuant to any hazardous materials laws relating to any hazardous materials affecting the Premises; and (2) all claims made or threatened by any third party against Tenant, Landlord, or the Premises relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from any hazardous materials on or about the Premises. Without Landlord's prior written consent, Tenant shall not take any remedial action or enter into any agreements or settlements in response to the presence of any hazardous materials in, on, or about the Premises.

(c) Tenant shall be solely responsible for and will defend, indemnify and hold Landlord, its agents, and employees harmless from and against all claims, costs, and liabilities, including attorneys' fees and costs, arising out of or in connection with Tenant's breach of its obligations in this Section 38. Tenant will be solely responsible for and will defend, indemnify, and hold Landlord, its agents, and employees harmless from and against any and all claims, costs, and liabilities, including attorneys' fees and costs, arising out of or in connection with the removal, cleanup, and restoration work and materials necessary to return the Premises and any other property of whatever nature located on the Project to their condition existing prior to the default. Tenant's obligations under this Section 38 will survive the expiration or other termination of this Lease.

39. Intentionally Omitted.

40. Allowance Offset.

" **Landlord Allowance Default** " under this Lease means failure by Landlord to pay or disburse the Allowances or any portion thereof to Tenant or to the escrowee described in the Work Letter within 30 days after written notice from Tenant of failure to pay or disburse the same on the due date. Without limiting other remedies provided for or granted elsewhere in this Lease, if a Landlord Allowance Default occurs, Tenant shall have any rights and remedies available at law or in equity, and in addition Tenant will have the right to set off against amounts due from Tenant to Landlord hereunder the amount owed by Landlord (a) with respect to which Landlord has not, by the end of such 30-day period, sent a notice of dispute as set forth below in this Section 40, or (b) the amount of any final, non-appealable judgment entered against Landlord in favor of Tenant in connection with Landlord's failure to pay or disburse such Allowances, if Landlord fails to satisfy the same when due. If Landlord, in good faith, believes that the Allowances are not due or that the conditions to disbursement have not been fulfilled, Landlord will so notify Tenant and will nevertheless pay the amount not in dispute prior to expiration of the 30-day period set forth above in this Section 40. Any such amount which Tenant may elect to set off hereunder shall be applied to the next payments due Landlord hereunder so as to apply such amount as soon as possible. Except as expressly set forth in this Section 40, and except as otherwise expressly provided in this Lease, Tenant will have no right to set off any amounts against rent due under this Lease.

41. Building Monument Sign.

Landlord agrees that, subject to the terms and conditions set forth in this Section 41, Tenant will have the right, at Tenant's sole cost and expense, to install a multi-tenant monument sign in a location on the Land reasonably designated by Landlord and reasonably approved by Tenant (the " **Building Monument Sign** "), and in such event, Tenant will be permitted to attach a sign (" **Tenant's Sign Panel** ") consisting of Tenant's name and corporate logo on the top slot allocated to tenants, in each case subject to all applicable governmental laws, rules and regulations. Tenant acknowledges that this right is nonexclusive, and that Landlord may grant the right to other tenants to install signage on other slots of such Building Monument Sign. Tenant will be responsible for all costs in connection with Tenant's Sign Panel, including, without limitation, the cost of design, construction, maintenance, operation and removal at the end of the Term. Tenant's Sign Panel and the design and appearance thereof will and subject to the prior written approval by Landlord, which approval will not be unreasonably withheld or delayed However, Tenant may apply a portion of the Allowance toward Tenant's reasonable, actual out-of-pocket costs incurred with respect to the initial construction and installation of the Building Monument Sign and the initial design, purchase, and installation of Tenant's Sign Panel. The following terms and conditions will apply to the Building Monument Sign:

(a) Within a reasonable time after mutual execution and delivery of this Lease, Landlord will, with consideration of Tenant's input, prepare, at Landlord's cost, prepare preliminary renderings of the Building Monument Sign consistent with the Sign Criteria set forth in Exhibit F for Tenant's approval, which approval by Tenant will not be unreasonably withheld, conditioned, or delayed. Landlord will reasonably consider Tenant's input on such design, but Landlord will have the right to approve or disapprove any changes to such design. Once the parties have agreed upon such preliminary design, Landlord will, at Landlord's cost, have final plans and specifications prepared, conforming to the agreed upon renderings (the " **Approved Monument Sign Plans** ").

(b) Landlord provide Tenant with a sufficient number of copies of the Approved Monument Sign Plans, and Tenant, at Tenant's cost, will seek approval of all federal, state and local governmental and quasi-governmental authorities having jurisdiction over the Building. Tenant's inability or failure to obtain any such permits, approvals or licenses, or the expiration or cancellation of the same, and the resulting inability of Tenant to install or maintain the Building Monument Sign, will not invalidate this Lease or reduce Tenant's obligations under this Lease.

(c) Upon Tenant's receipt of all applicable permits and approvals as described above for the installation of the Building Monument Sign, Tenant will cause the Building Monument Sign to be installed in accordance with the Approved Monument Sign Plans, and such permits and approvals,. Such installation will be performed pursuant to the Work Letter as part of the Tenant Work, and subject to the provisions set forth in this Section and in Exhibit F for the preparation of the plans and specifications for the Building Monument Sign, such installation will be performed pursuant to the Work Letter.

(d) After Tenant's final completion of the installation of such Building Monument Sign, and Landlord's acceptance of such installation, this Lease will constitute a bill of sale whereby Tenant conveys to Landlord title to the Building Monument Sign (which conveyance will be with warranty of title but otherwise without representation or warranty), whereupon Landlord will undertake to repair and maintain the Building Monument Sign (but not Tenant's Sign Panel) for the remainder of the Term, which costs will be included in Expenses.

(e) Tenant may not make any alterations or modifications to the Building Monument Sign after installation thereof, without Landlord's prior written approval.

(f) The Building Monument Sign must comply with the Sign Criteria set forth in Exhibit F .

(g) The name to be displayed on Tenant's Sign Panel will be either of the following, as Tenant may elect: "Zebra Technologies Corporation" or "Zebra Technologies". If Tenant changes its name, Landlord will not unreasonably refuse to permit Tenant to replace the name on Tenant's Sign Panel with Tenant's new name so long as such name is befitting of a Class A office building.

(h) During the Term, Tenant's Sign Panel will be in the top position of those slots on the Building Monument Sign provided for tenants.

42. Hewitt Second Amendment.

Landlord's obligations under this Lease are conditioned upon the execution and delivery by Landlord and Hewitt, in their respective sole and absolute discretion, of the Hewitt Second Amendment (as defined in the Recitals), mutually acceptable to such parties in their sole and absolute discretion, pursuant to which, among other things, Landlord would have the right to terminate the Hewitt Lease solely as to all or portions of the space leased thereunder but which is not included in the Premises under this Lease. If, for any reason or no reason, Landlord or Hewitt (or both) fails to execute and deliver to the other the Hewitt Second Amendment on or before November 15, 2013 (the " **Execution Deadline** "), Landlord may terminate this Lease by notice to Tenant given at any time after the Execution Deadline but prior to execution and delivery by Landlord and Hewitt of the Hewitt Second Amendment.

43. Right of First Offer.

(a) For purposes of this Section, " **Potential Offer Space** " means all rentable space on the 5th floor of the Building, as depicted on Exhibit I . The Potential Offer Space is mutually stipulated to contain **52,388** rentable square feet.

(b) Subject to the provisions set forth hereinafter, Tenant will have a right of first offer (the " **Right of First Offer** ") to lease from Landlord the Potential Offer Space. The provisions of this Section will apply to all or any of the Potential Offer Space as all or any of the Potential Offer Space may become available for lease on or after the date hereof, subject and subordinate to any extensions or renewals of existing leases of Potential Offer Space; provided, however, that Landlord hereby represents that no tenant of the Building has any expansion or renewal rights or options on the Potential Offer Space other than any such rights as may exist under the Hewitt Lease (including the Hewitt Second Amendment). In each instance, in this Section, in which Tenant's Right of First Offer is stated to be subordinate to a renewal option or extension option, such Right of First Offer will be deemed subordinate to any renewal or extension (of the lease to the tenant holding such renewal or extension option) having a term reasonably comparable to the term allowed by such renewal or extension option regardless of whether such renewal or extension is strictly in accordance with such option, regardless of whether any or all of the conditions to the exercise of such option are met, and regardless of whether such option is actually or formally exercised. Tenant may not exercise its rights under this Section 43 as to less than all of the Potential Offer Space offered by Landlord.

(c) If any portion of the Potential Offer Space becomes available (as described above and subject to the limitations and exceptions set forth above), then before leasing such space to third parties, Landlord will offer to Tenant the right to lease such available Potential Offer Space pursuant to this Right of First Offer. Landlord will make such offer to Tenant in a written notice (the " **Offer Notice** "). The Potential Offer Space offered in an Offer Notice is referred to herein as " **Offer Space** ". However, Landlord will not deliver an Offer Notice on any particular Potential Offer Space unless and until Landlord has received a written counter offer for such space from a bona fide prospective tenant, provided in response to a lease proposal from Landlord issued as a result of a written request for proposal from such bona fide prospective tenant. Any such offer by Landlord to any such prospective tenant (and the resulting offer of such space to Tenant under an Offer Notice, should Landlord receive a written counter offer as described above), may include all or such portions of the Potential Offer Space as Landlord may elect. Landlord may deliver an Offer Notice at any time after the date hereof. The fact that the Offer Space may then be leased to Hewitt pursuant to the Hewitt Lease will not be a factor in determining whether such Offer Space is, or will become, available for lease; it being understood that Landlord's ability to exercise the Hewitt Lease Landlord Recapture Right will suffice to make such space available or potentially available in the event that an offer from a bona fide prospective tenant has been received as set forth above.

(d) The provisions of this Section 43(d) will apply only to Landlord's offer of Potential Offer Space under a Landlord's Offer Notice delivered before February 16, 2017:

> If Landlord gives such Offer Notice to Tenant, then the Offer Notice will specify that Landlord is offering such space to Tenant on the same terms and conditions set forth in this Lease as applicable to the initial Premises (excluding lower level) except as otherwise set forth in this Section. The expiration date of the Term in respect of such Offer Space will be coterminous with the Expiration Date for the initial Premises. If Tenant exercises the Right of First Offer with respect to Offer Space, (i) the Base Rent for such Offer Space initially will be at the same rate per rentable square foot as then applies to the initial Premises (excluding lower level), and thereafter will be at the same rate per rentable square foot as the rate per rentable square foot for the initial Premises (excluding lower level), increasing from time to time as the rate per rentable square foot for the initial Premises increases; (ii) the rent abatement set forth in Section 1(b) will apply to the Offer Space; (iii) the Allowance will not apply to the Offer Space, but Landlord will grant to Tenant a leasehold improvement allowance calculated as follows: $45 multiplied by the number of rentable square feet in such Offer Space, which allowance would be applied toward Tenant's initial leasehold improvements (upon which Landlord and Tenant must mutually agree) to the Offer Space; (iv) the Additional Allowance will not apply to Offer Space; and (v) the Term of Tenant's lease of such Offer Space will commence (subject to the provisions of Section 43(j)) upon the earliest to occur of the following but not before March 1, 2017: (A) the 10th day after Tenant's substantial completion of Tenant's initial leasehold improvements to such Offer Space; (B) the date on which Tenant begins occupying such Offer Space for the conduct of business; and (C) the 120th day after Landlord's delivery to Tenant of possession of such Offer Space, and will expire on the Expiration Date of the initial Term for the initial Premises (subject to renewal as set forth in Sections 44 and 45). The allowance described in this subparagraph will be governed by and disbursed in accordance with a work letter prepared by Landlord that will be in the form of Landlord's then standard work letter for performance of work by the tenant with an allowance, which work letter will be comparable to the work letter attached hereto as Exhibit D (excluding the Additional Allowance, and except that Tenant's work will not include common area improvements); provided, however, that the disbursement provisions set forth in Section 3.3 of the Work Letter attached hereto as Exhibit D will apply thereto, and in no event will Landlord be obligated to disburse any portion of such allowance before March 1, 2017. Landlord's lease of the Offer Space to Tenant will be as-is. All costs of leasehold improvements in excess of such allowance will be borne by Tenant.

(e) The provisions of this Section 43(e) will apply only to Landlord's offer of Potential Offer Space under a Landlord's Offer Notice delivered before on or after February 16, 2017:

> If Landlord gives such Offer Notice to Tenant, then the Offer Notice will specify that Landlord is offering such space to Tenant on the same terms and conditions set forth in this Lease as applicable to the initial Premises except as otherwise set forth in this Section. The expiration date of the Lease Term in respect of such Offer Space will be coterminous with the Expiration Date for the initial Premises. If Tenant exercises the Right of First Offer with respect to Offer Space, (i) the Base Rent for such Offer Space will be at the Fair Market Rent (as defined in Exhibit H), as determined by Landlord; (ii) the rent abatement set forth in Section 1(b) will not apply to the Offer Space; (iii) Landlord will grant to Tenant a leasehold improvement allowance per rentable square foot of space in the applicable portion of the Offer Space equal to the Fair Market Allowance (as defined in Exhibit H), which Fair Market Allowance would be applied toward Tenant's initial leasehold improvements (upon which Landlord and Tenant must mutually agree) to the Offer Space; and (iv) the Term in respect of such Offer Space will commence upon Landlord's delivery to Tenant of such Offer Space, and will expire on the Expiration Date on the Expiration Date of the initial Term for the initial Premises (subject to renewal as set forth in Sections 44 and 45). The allowance described in this subparagraph will be governed by and disbursed in accordance with a work letter prepared by Landlord that will be in the form of Landlord's then standard work letter for performance of work by the tenant with an allowance, which work letter will be comparable to the work letter attached hereto as Exhibit D (excluding the Additional Allowance, and except that Tenant's work will not include common area improvements). Landlord may take into account Tenant's creditworthiness in determining the disbursement terms and scheduling for the Fair Market Allowance. Landlord's lease of the Offer Space to Tenant will be as-is. All costs of leasehold improvements in excess of such allowance will be borne by Tenant.

The following provisions will apply to all Offer Space except as otherwise noted.

(f) Within 10 business days after the effective date of Landlord's Offer Notice, Tenant will deliver to Landlord a binding notice (" **Tenant's ROFO Response Notice** ") in which Tenant elects (i) to lease the Offer Space and to accept the terms set forth in Landlord's Offer Notice; (ii) to lease the Offer Space but to dispute Landlord's terms as set forth in the Offer Notice, in which event the dispute will be resolved pursuant to Exhibit J ; or (iii) not to lease such Offer Space If Tenant fails to give such notice within such time, Tenant will irrevocably be deemed to have elected not to lease such Offer Space. After Tenant delivers its binding notice exercising the Right of First Offer (and, if applicable, after completion of the dispute resolution process), Landlord will prepare and deliver to Tenant an amendment to this Lease reflecting the terms of such exercise and such expansion, but Landlord's failure to deliver the same, or Landlord's or Tenant's failure or refusal to execute and deliver such amendment, will not affect the validity or enforceability of Tenant's exercise of the Right of First Offer. Time is of the essence with respect to the giving of Tenant's exercise notices. If Tenant accepts Landlord's offer, Tenant must accept all of the Offer Space then being offered by Landlord, and may not exercise its right with respect to only part of such space.

(g) If Tenant at any time declines (or fails to timely accept) any Offer Space offered by Landlord, Tenant's Right of First Offer on such Offer Space will be null and void, and Landlord will be free to lease such Offer Space described in the Offer Notice to any prospective tenant on any terms and conditions, regardless of whether the same as or different from that set forth in the Offer Notice; provided, however, that if Landlord leases such Offer Space and such lease expires or terminates and the tenant vacates the Offer Space, then Tenant's Right of First Offer on such Offer Space will be reinstated.

(h) The foregoing Right of First Offer may not be severed from this Lease or separately sold, assigned or transferred and is subject to the following additional conditions, namely: (i) that on the date that Tenant delivers notice of its election to exercise its Renewal Option, and at the commencement of the Renewal Term, no Event of Default exists; (ii) that Tenant has not assigned the Lease (other than to Permitted Transferees); and (iii) that on the date that Tenant delivers notice of its election to exercise its Right of First Offer, Tenant and its Permitted Transferees occupy at least 75% of the Premises. Each of the foregoing conditions is waivable by Landlord in Landlord's sole and absolute discretion.

(i) Landlord will not exercise the Hewitt Lease Landlord Recapture Right (as defined in the Recitals) as to any rentable space in the Building not included in the Zebra Sublease Premises (as defined in the Recitals) unless and until Landlord has first delivered to Tenant an Offer Notice for such space, and Tenant has declined to exercise (or failed to exercise timely) the Right of First Offer for such space. If Landlord delivers an Offer Notice pursuant to Section 43(d) on Offer Space and Tenant does not exercise timely its Right of First Offer for such Offer Space, Tenant agrees that Tenant will not and may not exercise the Zebra Sublease Expansion Right as to such Offer Space (or any portion thereof), and may not otherwise sublease such Offer Space (or any portion thereof) from Hewitt, for a period of 270 days from the deadline (as set forth above) for delivering Tenant's ROFO Response Notice as to such Offer Notice; in such event if Landlord exercises the Hewitt Lease Landlord Recapture Right as to such Offer Space before the expiration of such 270-day period, Tenant's Right of First Offer on such Offer Space will be null and void (subject to the provisions of Section 43(g) above), but if Landlord does not exercise the Hewitt Lease Landlord Recapture Right as to such Offer Space before the expiration of such 270-day period, then nothing in this Section 43(i) will prohibit Tenant from thereafter exercising the Zebra Sublease Expansion Right as to such Offer Space (and if Tenant exercises such Zebra Sublease Expansion Right, then the provisions of Section 43(j) below will apply). If, however, Tenant does exercise its Right of First Offer as to Offer Space in response to Landlord's Offer Notice delivered pursuant to Section 43(d), then Tenant's lease of such Offer Space under this Lease will be in accordance with Section 43(d), and if Tenant desires to have the use of such Offer Space before the Commencement Date of this Lease, Tenant will sublease the same from Hewitt by exercising the Zebra Sublease Expansion Option pursuant to the Zebra Sublease.

(j) If (subject to the restrictions set forth in Section 43(i) above) the Zebra Sublease Premises under the Zebra Sublease are expanded pursuant to the Zebra Sublease Expansion Option (or otherwise pursuant to agreement between Tenant and Hewitt) (" **Sublease Expansion Space** "), then automatically Landlord will be deemed to have delivered an Offer Notice for such space, and Tenant will be deemed to have delivered Tenant's ROFO Response Notice exercising Tenant's Right of First Offer as to such space, on the terms set forth in Section 43(d), such that such Sublease Expansion Space will be included automatically in the Premises during the Lease Term on the terms set forth in Section 43 (i.e., Section 43(d)). The foregoing provisions of this Section 43(j) will apply even if Landlord previously delivered to Tenant, prior to the Commencement Date of this Lease, an Offer Notice for such Sublease Expansion Space but Tenant declined to exercise or failed to exercise timely the Right of First Offer therefor, except to the extent that Tenant was prevented from exercising the Zebra Sublease Expansion Option pursuant to Section 43(i) above.

44. Options to Renew.

Subject to the provisions set forth below, the Lease Term may be renewed, at the option of Tenant (each, a " **Renewal Option** "), for two (2) additional period of 60 months each (each, a " **Renewal Term** " and together the " **Renewal Terms** "). Each Renewal Term will be upon the same terms, covenants and conditions contained in this Lease, except (i) the rent abatement rights and leasehold improvement allowances granted under this Lease will not apply to the Renewal Term; (ii) Section 42 (Hewitt Second Amendment) will not apply during the Renewal Term; (iii) the Work Letter attached hereto will not apply to the Renewal Term; and (iv) the Base Rent due for such Renewal Term will be as set forth in this Section. Any reference in the Lease to the "Term" will be deemed to include the Renewal Terms (to the extent that Tenant exercises the corresponding Renewal Option) and apply thereto, unless it is expressly provided otherwise. Tenant will have no renewal option beyond the aforesaid two 60-month periods.

(a) The Base Rent during each Renewal Term for the Premises will be at a rate equal to the then Fair Market Rent (as defined in Exhibit H), as determined by Landlord, and for a term equal or comparable to such Renewal Term. Tenant's obligation to pay Tenant's Proportionate Share of Taxes and Expenses will continue during the Renewal Terms. Tenant's obligation to pay any Monthly Existing Gen Replacement Amortization pursuant to Section 46 will continue during the Renewal Terms.

(b) If Tenant exercises a Renewal Option, Landlord will grant to Tenant a leasehold improvement allowance equal to the Fair Market Allowance (as defined in Exhibit H), as determined by Landlord, which Tenant may apply toward Tenant's leasehold improvements (upon which Landlord and Tenant must mutually agree) to the Premises. All costs of such leasehold improvements in excess of such allowance will be borne by Tenant. Such leasehold improvements will be performed by Tenant, and such allowance will be disbursed by Landlord, subject and pursuant to Landlord's then standard form of work letter under which Tenant performs the work using an allowance, which work letter will be prepared by Landlord and substantially comparable to the Work Letter attached hereto as Exhibit D (excluding the Additional Allowance, and except that Tenant's work will not include common area improvements). Except as otherwise expressly set forth in this Section 44, Tenant will be deemed to have accepted the renewed Premises in "as-is" condition as of the commencement of the Renewal Term, and except as otherwise expressly set forth in this Section 44, Landlord will have no additional obligation to improve, renovate or remodel the Premises or any portion of the Building or provide any allowance therefor as a result of Tenant's exercise of its Renewal Option.

(c) In order to exercise its first Renewal Option, Tenant must first deliver an initial nonbinding notice to Landlord no later than 45 days before, and no earlier than 120 days before, the applicable Renewal Exercise Deadline (defined below), in which Tenant expresses its intention to exercise or interest in exercising such Renewal Option and requesting Landlord's determination of Fair Market Rent and Fair Market Allowance. Within 30 days thereafter, Landlord will notify Tenant (" **Landlord's Renewal Notice** ") of Landlord's calculation of the Fair Market Rent and Fair Market Allowance for the Premises, which calculation will reflect the market rate that would be payable per annum for a term commencing on the first day of the first Renewal Term. If Tenant fails to give its initial nonbinding notice when due as provided in this Section 44(c), then both Renewal Options will be null and void. For purposes hereof, the " **Renewal Exercise Deadline** " for the first Renewal Option means the date that is 12 months before the Expiration Date of the initial Term; and for the second Renewal Option means the date that is 12 months before the Expiration Date of the first Renewal Term.

(d) If Tenant exercises its first Renewal Option, then Tenant will have the second Renewal Option as described above. In order to exercise its second Renewal Option, Tenant must first deliver an initial nonbinding notice to Landlord no later than 45 days before, and no earlier than 120 days before, the applicable Renewal Exercise Deadline (defined above), in which Tenant expresses its intention to exercise or interest in exercising such Renewal Option and requesting Landlord's determination of Fair Market Rent and Fair Market Allowance. Within 30 days thereafter, Landlord will deliver Landlord's Renewal Notice setting forth Landlord's calculation of the Fair Market Rent and Fair Market Allowance for the Premises, which calculation will reflect the market rate that would be payable per annum for a term commencing on the first day of second Renewal Term. If Tenant fails to give its initial nonbinding notice when due as provided in this Section 44(d), then Tenant's second Renewal Option will be null and void.

(e) On or before the Renewal Exercise Deadline, Tenant will deliver to Landlord a final binding notice in which Tenant (i) elects to renew the Lease and accepts the terms stated in Landlord's Renewal Notice, or (ii) declines to renew the Term, in which case Tenant's rights under this Section 44 will be null and void. If Tenant fails to notify Landlord by the Renewal Exercise Deadline (after having given its initial nonbinding notice within the required time), time being of the essence, then Tenant will conclusively be deemed to have elected not to renew the Lease, in which event Tenant's rights under this Section 44 will be null and void.

(f) After Tenant delivers Tenant's binding notice exercising a Renewal Option, Landlord will deliver to Tenant an amendment to this Lease reflecting the terms of the renewal, and Tenant will execute such amendment and deliver it to Landlord within 30 days after receipt. However, Landlord's failure to prepare and deliver such amendment, or Landlord's or Tenant's failure or refusal to execute and deliver such amendment, will not affect the validity or enforceability of Tenant's exercise of a Renewal Option. Time is of the essence with respect to the giving of Tenant's exercise notices.

(g) Tenant's right to exercise its Renewal Option this Lease pursuant to this Section is subject to the following conditions: (i) that on the date that Tenant delivers notice of its election to exercise its Renewal Option, and at the commencement of the Renewal Term, no Event of Default exists; (ii) that Tenant has not assigned the Lease (other than to Permitted Transferees); and (iii) that on the date that Tenant delivers notice of its election to exercise its Renewal Option, Tenant and its Permitted Transferees

occupy at least 50% of the Premises. Each of the foregoing conditions is waivable by Landlord in Landlord's sole and absolute discretion.

45. Short-Term Renewal Option.

Subject to the provisions set forth below, the Term may be renewed, at the option of Tenant (the " **Short-Term Renewal Option** "), for one (1) additional period of one, two, or three calendar months, as selected by Tenant (the " **Short Renewal Term** ") beyond the expiration of the initial Lease Term or any Renewal Term (as defined in Section 44). The Short Renewal Term will be upon the same terms, covenants and conditions contained in the Lease, excluding the provisions of Sections 40 (Allowance Offset), 42 (Hewitt Second Amendment), 43 (Right of First Offer), and 44 (Option to Renew), of the Lease and excluding the Work Letter, and except for the amount of Base Rent payable during the Short Renewal Term. Any reference in the Lease to the "Term" will be deemed to include the Short Renewal Term and apply thereto (if and to the extent that Tenant has exercised such short-term renewal option), unless it is expressly provided otherwise. Tenant will be deemed to have accepted the Premises in "as-is" condition as of the commencement of the Short Renewal Term, it being understood that Landlord will have no obligation to renovate or remodel the Premises or any portion of the Building as a result of Tenant's renewal of the Lease. Tenant will have no renewal option beyond the aforesaid 1, 2, or 3 calendar month period, except as otherwise provided in Section 44.

(a) The Base Rent during the Short Renewal Term for the Premises will be at a rate equal to 102.75% of the Base Rent rate per rentable square foot in effect immediately before the first day of the Short Renewal Term. Tenant's obligation to pay Tenant's Proportionate Share of Taxes and Expenses pursuant to this Lease will continue during the Short Renewal Term. Tenant's obligation to pay any Monthly Existing Gen Replacement Amortization pursuant to Section 46 will continue during the Short Renewal Term.

(b) Such option to renew will be exercised by Tenant by delivering a written notice to Landlord no later than 12 months before the last day of the initial Term or the applicable Renewal Term (as defined in Section 44), in which Tenant notifies Landlord that Tenant elects to exercise the option set forth in this Section 45, and the duration of the Short Renewal Term (i.e., 1, 2, or 3 calendar months). If Tenant fails to give its notice of exercise of the renewal option set forth in this Section 45, when due as provided in this Section 45, time being of the essence, Tenant will irrevocably be deemed to have waived such option to renew.

(c) Tenant's right to exercise its short-term renewal option pursuant to this Section is subject to the following conditions: (i) that on the date that Tenant delivers notice of its election to exercise its short-term renewal option, no Event of Default exists; (ii) that Tenant has not assigned the Lease (other than to Permitted Transferees); and (iii) Tenant may not exercise this option in connection with the initial Term if Tenant has exercised the first Renewal Option pursuant to Section 44, Tenant may not exercise this option in connection with an extension of the First Renewal Term if Tenant has exercised the second Renewal Option pursuant to Section 44, and Tenant may not exercise any Renewal Option set forth in Section 44 if Tenant has exercised the short term renewal option set forth in this Section 45. Each of the foregoing conditions is waivable by Landlord in Landlord's sole and absolute discretion.

46. Existing Generator.

Tenant acknowledges that Landlord owns an existing generator located in the east wing of the lower level of the Building adjacent to the switchgear room (the " **Existing Generator** "). During the Term, Tenant shall have the non-exclusive right to use, solely for emergency back-up power, a portion of the Existing Generator's capacity. The load or potential load to be placed on the Existing Generator by Tenant will be subject to Landlord's approval in Landlord's reasonable discretion. The parties acknowledge that the primary use of the Existing Generator during the Term will be to continue to provide backup power to the Building's life safety systems, including any multi-tenant floors. Tenant's load on such Existing Generator must not interfere with such primary purpose. All costs associated with Tenant's use of the Existing Generator, including additional equipment, installation of Tenant equipment, electricity and maintenance and repairs necessitated by Tenant's use, shall be paid by Tenant within 30 days after Landlord delivers to Tenant an invoice therefor from time to time. In addition, notwithstanding such shared use of the Existing Generator, Tenant shall pay 100% of all costs, excluding Existing Generator Replacement Costs (defined below), incurred by Landlord for the operation, maintenance, repair, testing, replacement of filters and components, fueling, labor and equipment therefor, including all applicable utility charges (collectively, " **Existing Generator Costs** "), with respect to the Existing Generator within 30 days after Landlord delivers to Tenant an invoice therefor from time to time. If Landlord reasonably determines that the Existing Generator has reached the end of its useful life and repair of the Existing Generator is not economically feasible, and Landlord elects to replace the Existing Generator, then the total costs of such replacement (including, without limitation, purchase, installation of the replacement generator, and removal of Existing Generator) (" **Existing Generator Replacement Costs** ") will be amortized, with interest at 8% per annum, over the number of months in the useful life of the replacement generator, as reasonably estimated by Landlord in accordance with GAAP (the " **Monthly Existing Gen Replacement Amortization** "), from the installation date. In such event, Tenant will pay to Landlord, beginning upon such installation, the Monthly Existing Gen Replacement Amortization on the first day of each month as additional rent, without demand or notice, and Tenant will continue to pay such Monthly Existing Gen Replacement Amortization monthly until the earlier of (i) the date on which the Existing Generator Replacement Costs are fully amortized (i.e., through the expiration date of the originally estimated useful life of the replacement generator) and (ii) the date on which this Lease expires without being renewed or extended. Accordingly, if such Existing Generator Replacement Costs are incurred during the initial Term but such costs have not been fully amortized by the expiration of the initial Term, and if the Term is renewed (whether by exercise of a Renewal Option, Short-Term Renewal Option, or otherwise), Tenant will continue to pay such Monthly Existing Gen Replacement Amortization through such renewal or extension term or terms until such Existing Generator Replacement Costs are fully amortized or until this Lease expires without being renewed or extended. However, if this Lease expires (without being renewed or extended) before such Existing Generator Replacement Costs are fully amortized, Tenant will not be responsible or liable for the Monthly Existing Gen Replacement Amortization accruing after such final expiration of this Lease. Tenant's obligation to pay the Existing Generator Costs or Monthly Existing Gen Replacement Amortization will not be terminated, diminished, or affected in the event that Tenant elects to diminish or discontinue its use of the Existing Generator or its replacement.

Tenant accepts the Existing Generator in its current condition on an " **AS-IS** " basis with all faults, **WITHOUT ANY WARRANTIES OF WHATSOEVER NATURE, EXPRESS OR IMPLIED, IT BEING THE INTENTION OF LANDLORD AND TENANT EXPRESSLY TO NEGATE AND EXCLUDE ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WARRANTIES CREATED BY ANY AFFIRMATION OF FACT OR PROMISE OR BY ANY DESCRIPTION OF THE PROPERTY CONVEYED HEREUNDER, OR BY ANY SAMPLE OR MODEL THEREOF, AND ALL OTHER WARRANTIES WHATSOEVER CONTAINED IN OR CREATED BY THE UNIFORM COMMERCE CODE, AS ADOPTED IN THE STATE IN WHICH THE PREMISES ARE LOCATED** . Landlord shall maintain the Existing Generator but will not be liable for service interruptions or failures. At the expiration or earlier termination of the Term, Tenant, at Tenant's sole cost and expense, shall remove all equipment attached or connected by Tenant to the Existing Generator and shall restore any damage caused by the removal of Tenant's equipment from the Existing Generator. In addition, Tenant shall repair all damage caused by the abuse of the Existing Generator or the willful misconduct with respect thereto by any Tenant Party. If Tenant fails to do so within 30 days after Landlord's written request, Landlord may perform such work and Tenant shall pay to Landlord all reasonable costs incurred in connection therewith within 30 days after Landlord's written request therefor.

47. New Emergency Power System.

Landlord agrees that, subject to the terms and conditions set forth in this Section 47, Tenant will have the right, at Tenant's sole cost and expense, to install a diesel or natural gas backup generator, and an enclosure around such equipment (the " **Emergency Power System** ") on the exterior of the Premises, in a location designated by Landlord, in Landlord's sole and absolute discretion. Landlord may permit other tenants to install separate generators on the Land but will not authorize any other tenant to tap into the Emergency Power System installed by Tenant. The following terms and conditions will apply to the Emergency Power System:

(a) The Emergency Power System must comply, and Tenant will at Tenant's cost cause the same to be and to remain in compliance, with all Laws.

(b) The Emergency Power System must comply, and Tenant will at Tenant's cost cause the same to be and to remain in compliance, with all applicable insurance requirements of both Landlord's insurer and Tenant's insurer. The insurance provisions of Sections 21(b) and 21(c) will apply to the Emergency Power System.

(c) Tenant will, at its sole expense, repair and maintain, and replace as necessary, the Emergency Power System in good condition at all times during the Term.

(d) If Landlord becomes aware that the Emergency Power System is in violation of this Article, Landlord will so notify Tenant. If Tenant becomes aware, whether by notice from Landlord or otherwise, that the Emergency Power System is in violation of this Section 48, Tenant will promptly correct such violation.

(e) Upon expiration or earlier termination of this Lease, or upon expiration or termination of Tenant's right to the Emergency Power System, Tenant will, at its sole cost and expense, remove the Emergency Power System, and repair and restore any damage caused by its installation or removal, including, without limitation, restoration of the Building and surrounding area to an architectural and aesthetic whole. The provisions of this paragraph will survive the expiration or sooner termination of this Lease.

(f) Tenant will pay all costs and expenses of operation and maintenance of the Emergency Power System. If any such costs are invoiced to Landlord, such costs will become additional rent and will be due promptly upon invoice therefor from Landlord. Tenant will pay Landlord, as additional rent, all additional expenses incurred by Landlord as a result of the Tenant's operation of the Emergency Power System.

(g) Landlord may impose such other reasonable requirements and restrictions with respect to the Emergency Power System at such time as Tenant submits its plans for the Emergency Power System, and Landlord may impose such additional reasonable requirements and restrictions with respect to the Emergency Power System at any time thereafter so long as such additional requirements and restrictions imposed thereafter do not unreasonably impede the operation and utility of the Emergency Power System and do not unreasonably cause Tenant to incur any additional material cost or expense.

(h) The Emergency Power System must not clash with and must be harmonious with the Building color scheme, in Landlord's reasonable judgment.

(i) The design of the Emergency Power System must be consistent with the first-class nature of the Building, in Landlord's reasonable judgment.

(j) The Emergency Power System must be screened or fenced off in a manner reasonably satisfactory to Landlord, using materials consistent with the first-class nature of the Building, in Landlord's reasonable judgment.

(k) The size of the Emergency Power System may not unreasonably and adversely impact the Building's parking amenities and access, in Landlord's sole and absolute judgment.

(l) All aspects of the installation of the Emergency Power System will be subject to Landlord's review and reasonable approval. Without limiting the foregoing, any fuel tanks for the Emergency Power System must be above-ground, not underground.

(m) Before installing the Emergency Power System, Tenant must prepare and deliver to Landlord the following, which will be subject to Landlord's approval:

Preliminary drawings of the Emergency Power System in the location designated by Landlord;

A list of all colors, materials, and finishes that will be used; and

Samples of any material to be used in screening or fencing off the Emergency Power System, if Landlord so requests.

Incomplete drawings will be returned to Tenant without approval.

(n) Tenant will be responsible, at its sole cost and expense, for obtaining and maintaining during the Lease Term all applications, permits, consents, approvals and licenses required by federal, state and local governmental and quasi-governmental authorities, and by The Lincolnshire Corporate Center Association, and any other applicable property association to which the Building may be subject, in connection with the Emergency Power System. Landlord will cooperate with Tenant in obtaining such approvals, but Tenant will reimburse Landlord for Landlord's out-of-pocket costs in connection therewith. Copies of all permits and licenses must be delivered to Landlord promptly after Tenant's receipt thereof. Tenant's inability or failure to obtain any such permits, approvals or licenses, or the expiration or cancellation of the same, and the resulting inability of Tenant to install or maintain the Emergency Power System, will not invalidate this Lease or reduce Tenant's obligations under this Lease.

(o) Landlord is not and will not be obligated to provide a security guard or any other security services for the Emergency Power System. Under no circumstances will Landlord or its managing agent or their respective agents or employees be liable for, and Tenant waives all claims with respect to, (a) any damages, injuries or losses sustained by Tenant or its agents, employees or contractors , resulting from Landlord's failure to provide security or adequate security for the Emergency Power System, or (b) losses or damages due to failure of the Emergency Power System or inadequacy of the location or facilities therefor, the same being at Tenant's sole risk, or (c) the damages done to the Emergency Power System by any person, and neither will Landlord be required to insure against any such losses. Tenant will follow all rules and regulations promulgated by Landlord with respect thereto. The provisions of this paragraph will survive the expiration or sooner termination of this Lease.

(p) Tenant will indemnify, defend and hold harmless the Landlord Parties from and against any and all loss, damage, claim, demand, liability or expense (including reasonable attorneys' fees) resulting from claims by third parties arising in connection with the Emergency Power System, or any person's use thereof, or any robbery, theft or burglary relating thereto. Tenant will have the right and obligation to assume the defense of any claim covered by this indemnity on behalf of both itself and the Landlord Parties, and the Landlord Parties may not settle such claim without the consent of Tenant, provided (i) Tenant acknowledges to the Landlord Parties in writing that it is responsible for such claim under the terms of this paragraph and (ii) the lawyers selected by Tenant to handle such defense are reasonably satisfactory to the Landlord Parties and such representation does not result in a conflict of interest for such lawyers. The Landlord Parties may participate in the defense of such claim at their own expense unless Tenant is not representing the Landlord Parties in which case the reasonable expense of the Landlord Parties in defending against such claim will be paid by Tenant. The provisions of this paragraph will survive the expiration or sooner termination of this Lease.

(q) The waivers set forth in Section 14 will apply to the Emergency Power System.

48. Communication Antennae.

(a) Subject to the terms and conditions of this Section 48 and the other provisions of this Lease, Tenant shall have the right to install, maintain and operate, at Tenant's sole cost, risk and expense, up to three (3) satellite dishes (or other antennae devices) and related equipment (individually or collectively, as applicable, the " **Communication Antenna** " and collectively the " **Communication Antennae** ") to be used in connection with Tenant's business in the Premises, provided that Tenant shall have given Landlord at least 30 days' prior written notice of Tenant's exercise of this right. Tenant agrees that (i) the Communication Antennae shall be designed, installed and operated solely for the purpose of sending and receiving transmissions in connection with the business of Tenant in the Premises, at a location upon the Building (the " **Antenna Premises** ") designated by Landlord and reasonably approved by Tenant, (ii) the Communication Antennae shall include no more than 3 satellite dishes (or other antennae), (iii) the installation and operation of the Communications Antennae must conform to the Installation Standards attached as Exhibit K , and (iv) Tenant's installation of the Communication Antennae must conform to and comply with all requirements of any warranty in effect on the roof of the Building. Any such satellite dish included in the Communication Antennae shall have a reflector surface no larger than 30 inches in diameter, and any other type of Communication Antenna must be of comparable size; provided, however, that Landlord will not unreasonably refuse to permit minor modifications to such size limitations in the event that changing technology makes it necessary or appropriate for Tenant to use a different type of receiver or transmitter. Tenant shall be responsible for expenses in connection with the Antenna Premises and the Communication Antennae as provided herein. Tenant agrees that, upon at least sixty (60) days' prior written notice to Tenant from Landlord (which notice may be given at any time and from time to time during the Lease Term), Tenant shall relocate the Communication Antennae from the then existing location of the Antenna Premises to any substitute location for the Antenna Premises designated by Landlord, in Landlord's reasonable discretion, located anywhere on the Building. Tenant shall complete such relocation prior to the expiration of such sixty (60) day period and upon the expiration of such sixty (60) day period Tenant shall have no further right to use or occupy the prior location for the Antenna Premises and such substitute location designated by Landlord shall be deemed the "Antenna Premises" for all purposes thereafter under this Section 48. Such relocation will be at Tenant's sole cost and expense, if Landlord requires such relocation due to roof repairs or other Building operational reason, but if Landlord requires such relocation to accommodate another tenant's, licensee's or other user's rooftop equipment, then Landlord will reimburse Tenant for Tenant's actual out-of-pocket reasonable costs in connection with such relocation. If such relocation is at Tenant's expense as set forth above, then Tenant shall also, at Tenant's expense, repair all damage to the Building caused by the installation, maintenance or removal of the Communication Antennae from such prior location for the Antenna Premises. Landlord will not exercise its right to relocate Tenant's Communication Antennae pursuant to this Section 48 more than once every sixty (60) months, except for roof repairs or other Building operational reason.

(b) Tenant shall have the reasonable right to access the Antenna Premises and the Communication Antennae for the purpose of installing, maintaining, repairing, replacing, testing, improving and removing the Communication Antennae. Prior to any installation, supplementation, improvement, removal, maintenance or other work upon the Communication Antennae, in or about the Antenna Premises or on any other portion of the Building with respect to the Communication Antennae, Tenant shall give Landlord written notice thereof and shall submit to Landlord its plans and specifications for such work. Without limiting any of Landlord's rights hereunder, Tenant agrees that Landlord shall have the right to control access to the Antenna Premises as necessary to prevent access thereto by unauthorized persons or for purposes other than those expressly permitted in this Section 48. Such plans and specifications shall contain such detail and description as Landlord may require. All such work and such plans and specifications shall be subject to the prior written approval of Landlord. Such approval right of Landlord shall include, without limitation, the right to approve the dimensions, design, placement, installation, technical operating characteristics (including, without limitation, operating frequency, power consumption and mechanical stability) and location of the Communication Antennae. In any event the Communication Antennae shall be concealed from view in such manner reasonably satisfactory to Landlord and at the sole expense of Tenant, such that the Communication Antennae are not visible from the street level and is not visible from either of the buildings commonly known as One Overlook Point and Two Overlook Point. The designation of the Antenna Premises shall be made in such a way so as to not diminish the rights of the Landlord to provide telecommunication and other services to other tenants of the Building or other users of the Building designated for electromagnetic radiation transmission and reception facilities and related equipment. The Communication Antennae shall be installed, at Tenant's expense, by a contractor reasonably satisfactory to Landlord.

(c) Tenant shall be responsible, at Tenant's sole expense, for the installation, maintenance, operation, repair, replacement, and removal of the Communication Antennae in accordance herewith, including, without limitation, the cost of all utilities and supplies. Tenant shall be responsible, at Tenant's sole expense, for maintaining in good repair and condition the Antenna Premises. Tenant and its contractor shall have access to the roof, elevators and stairways (upon prior notice to Landlord) to maintain, repair and remove the Communication Antennae as necessary. Tenant shall also be responsible for the costs of design and construction of any modification to the Building required from time to time to accommodate the Communication Antennae. Tenant shall acquire in a timely manner and in any event prior to any installation or modification to the Communication Antennae, all required licenses, permits and approvals of any applicable governmental authority, at Tenant's sole cost and expense. If at any time any Communication Antenna is no longer being used or held for future use by Tenant, or upon the expiration or sooner termination of the Lease, or following the date Tenant vacates the Premises, then Landlord shall have the right to require that Tenant, at Tenant's expense, remove such Communication Antenna and repair all damage to the Building caused by the installation, maintenance or removal of any such Communication Antenna. The Communication Antennae shall remain the property of Tenant during the entire Lease Term and any renewals thereof.

(d) Tenant shall install, operate and maintain the Communication Antennae in accordance with all applicable laws, ordinances and regulations; with the Declaration of Protective Covenants for Lincolnshire Corporate Center (Unit III) applicable to the Building; and with the requirements of Landlord's communication and other engineering consultants and operators. The reasonable cost to Landlord of such consultants and operators utilized in reviewing any plans or work proposed by Tenant for the Communication Antennae shall be paid by Tenant to Landlord upon written demand therefor. Tenant understands and agrees that in addition to the Antenna Premises, certain other areas in, on or around the Building or the real property adjacent thereto may also contain, at Landlord's discretion, other communications equipment and facilities operated and/or maintained by Landlord, Landlord's Tenants or operators, or other users of such areas permitted by Landlord. Accordingly, Tenant agrees that Tenant will not permit the Communication Antennae, or Tenant's use thereof, to become a nuisance or to interfere with such operations of Landlord, such other users of such areas, or the operations of the Building or the other tenants therein.

(e) Tenant agrees to indemnify, defend, and hold harmless Landlord, its mortgagee, property manager, and their respective directors, officers, partners, employees and agents (all such persons and entities hereafter collectively called the " **Listed Persons** "), from and against any loss, cost, claim, liability or expense (including reasonable attorneys' fees and court costs) arising out of Tenant's use or access to the Antenna Premises or the installation, maintenance, operation, modification or removal of the Communication Antennae. Tenant shall procure and maintain in full force and effect from the commencement of installation of the Communication Antennae on the Antenna Premises until the expiration of the Lease Term a policy of commercial general liability insurance against claims for bodily injury, personal injury, death, or property damage arising from Tenant's use of or access to the Antenna Premises and the Communication Antennae; such insurance must otherwise comply with the provisions of Section 21.

49. Cafeteria.

A. Equipment . The parties acknowledge that the Building has a black iron duct (the " **Existing Black Iron Duct** "). As part of the Tenant Work performed by Tenant pursuant to the Work Letter, Tenant may install and connect its hoods and other appropriate ventilation equipment in the Premises to the Existing Black Iron Duct. Tenant may use any existing kitchen and ventilation equipment in the cafeteria portion of the ground floor Premises on an as-is and with-all-faults basis (the " **Existing Kitchen and Ventilation Equipment** "). However, that Landlord makes no representation or warranty (and hereby disclaims any such representations or warranties, express or implied) with respect to the Existing Black Iron Duct or any such Existing Kitchen and Ventilation Equipment, or that the Existing Black Iron Duct or such Existing Kitchen and Ventilation Equipment is adequate for Tenant's use. Tenant's use of the Existing Black Iron Duct and any such Existing Kitchen and Ventilation Equipment will be at Tenant's sole risk. Landlord will maintain the Existing Black Iron Duct. Tenant will pay Landlord's actual out-of-pocket costs in connection with the repair and maintenance of the Existing Black Iron Duct within 30 days after receipt of invoice from time to time. Tenant will be solely responsible for repairing, maintaining, and replacing as necessary all equipment installed by Tenant, as well as any Existing Kitchen and Ventilation Equipment which Tenant elects to use or retain.

Tenant agrees to permit no odors to be dispelled from the Premises. If Landlord reasonably determines that odors are being dispelled or emitted from the Premises, Tenant will reasonably cooperate with Landlord in Landlord's efforts to identify the reason or reasons such odors are escaping and, if Landlord so elects, Landlord's repairs, modifications, or upgrades to the ventilation system serving the ground floor Premises. Tenant will pay Landlord's actual out-of-pocket costs in connection with the repair, modifications, or upgrades to such ventilation system within 30 days after receipt of invoice from time to time. Tenant will at all times keep Tenant's equipment in the Premises, and any Existing Kitchen and Ventilation Equipment which Tenant elects to use or retain, in good condition and repair, and Tenant will at all times run its business in a reasonable manner including, without limitation, using, operating, maintaining, and repairing its equipment in accordance with design specifications. Tenant will, at Tenant's cost and subject to Landlord's prior written approval (not to be unreasonably withheld, conditioned, or delayed), install such screens, hoods, filters, and other equipment (but excluding pollution control systems, so-called "scrubbers," or HVAC upgrades) as are reasonably necessary so as to prevent the discharge of smoke, odors, vapors and steam into the Building and to avoid the likelihood that such smoke, odors, vapors and steam will be directed to or carry to the Building or any part of the Building leased by others, as well as to minimize grease buildup in the Existing Black Iron Duct. Landlord shall not by its approval of the location, construction or appearance of any of such Tenant's systems or equipment in the Premises be deemed to have represented that such systems are adequate or that the same comply with any applicable law, ordinance or regulation, nor shall such approval be deemed a waiver by Landlord of the right to require that Tenant modify such systems or facilities or add other or additional such systems or facilities in order to prevent the discharge of smoke, odors, vapors and steam into the Building or any part of the Building leased to others or to avoid such smoke, odors, vapors and steam being directed to or carried to the Building or any part of the Building leased to others.

Tenant will be responsible, at its cost, for purchasing, installing and maintaining such fire prevention and/or extinguishment facilities or systems as may be reasonably required from time to time in view of Tenant's methods and volume of cooking and other food and beverage preparation.

The Building currently has a grease collection system (the " **Existing Grease Collection System** "). However, that Landlord makes no representation or warranty (and hereby disclaims any such representations or warranties, express or implied) with respect to the Existing Grease Collection System, or that the Existing Grease Collection System is adequate for Tenant's use. Tenant's use of the Existing Grease Collection System will be at Tenant's sole risk. Landlord will maintain the Existing Grease Collection System. Tenant will pay Landlord's actual out-of-pocket costs in connection with the repair and maintenance of the Existing Grease Collection System within 30 days after receipt of invoice from time to time. Tenant shall, at its sole cost and expense, prior to opening the Premises for business, and at all times thereafter during the Term, provide the necessary piping and connections to connect to such Existing Grease Collection System. Tenant shall not dispose of waste grease, oil or other materials which tend to cause clogging or blockage of pipes and drains (hereinafter collectively referred to as " **grease** ") by pouring or permitting the same to flow into any drains or pipes. In the event that Tenant shall do so, Tenant shall reimburse Landlord for the reasonable cost of cleaning of all drains, pipes, sewers or other waste liquid disposal facilities damaged thereby plus an administrative charge equal to ten percent (10%) of the cost thereof. For this purpose, the term "cleaning" shall be deemed to include the replacement of all or any portion of the waste liquid disposal facilities necessitated by Tenant's improper disposal of grease.

Tenant shall regularly and adequately clean or provide for the cleaning of all exhaust and venting systems serving the Premises (including, without limitation, those installed by Tenant, and any which may exist in the Premises as of the date of this Lease), excluding the Existing Black Iron Duct to be maintained by Landlord. This cleaning shall include degreasing of all hoods, fans, vents, pipes, flues, and other areas of such systems subject to grease buildup. Tenant shall not use any chemicals or other

cleaning methods which could damage the drain pipes or other portions of the drainage and/or sewer systems in the Premises or the Building or serving the Building.

B. Extermination. Tenant shall, at its sole cost and expense, engage professional exterminators to service the Premises, including but not limited to all food preparation and food storage areas, at such frequency and to the extent necessary to keep the Premises free of insects, rodents, vermin and other pests and to prevent insects, rodents, vermin and other pests from the Premises infesting spaces in the Building or any part of the Building leased to others. Tenant shall provide to Landlord, upon demand, reasonable proof that Tenant is causing such exterminating to be regularly performed. In the event that Tenant shall refuse or fail to have such exterminating regularly performed, then Landlord may arrange for such work to be done, and Tenant shall pay the entire cost thereof plus an administrative charge equal to ten percent (10%) of the cost thereof. Landlord shall not be liable to Tenant for any loss or damage that may accrue to Tenant's stock in trade or business by reason thereof, including but not limited to any loss of revenues resulting from any required limitation or cessation of Tenant's operation of the Cafeteria while such extermination is performed or as a result thereof. Landlord's arranging for such extermination shall not release Tenant from Tenant's obligations hereunder nor shall the same be deemed to be a waiver by Landlord of Tenant's default for the failure to have such extermination performed.

C. Equipment. All equipment installed or used by Tenant in the Premises shall be properly installed and, where necessary, with adequate electrical wiring conformity with the recommendations of the manufacturers thereof and with all applicable codes and ordinances. No equipment shall be used by Tenant in the Premises unless and until such equipment and the installation thereof has been inspected and approved by the departments or bureaus of the Village of Lincolnshire and other governmental authorities having jurisdiction and unless, until and only for so long as all necessary permits and authorizations for the use and/or operation thereof have been obtained by Tenant from such authorities at Tenant's sole cost and expense.

D. Deliveries. Because of the unique nature of Tenant's business, Tenant agrees that

i. it will require that all purveyors with whom Tenant does business adequately and securely package all goods and merchandise so as to prevent any leaking, spilling, spoilage, odors or infestation;

ii. if any leaking or spilling shall occur or if any of goods and merchandise shall fall out of any containers or packages, Tenant shall be responsible for and shall immediately cause the same to be cleaned and removed and restore any damage to the Building that may result therefrom; and

iii. it will immediately transfer all goods and merchandise received to the Premises and properly store the same in the Premises so as to retard any spoilage thereof, to prevent any odors emanating therefrom and to prevent the infestation thereof; and

E. Trash Removal. Tenant agrees that Tenant shall store all food trash and other waste from the Cafeteria in the Premises in odor and vermin proof containers, such containers to be kept in areas not visible to members of the public. Tenant shall, at Tenants expense, attend to the frequent disposal of such materials to Landlord's trash compactor at the loading dock; provided, however, that Tenant must first double-bag all such food trash and other waste from the Cafeteria. So long as Tenant operates the Cafeteria, Landlord's costs of emptying such compactor, plus any costs incurred by Landlord for washing or deodorizing such compactor and the area in which the compactor is located, will be charged to Tenant (rather than included in Expenses), and Tenant will pay such expenses within 30 days after receipt of invoice from time to time. If Landlord reasonably determines that such food trash and other waste from the Cafeteria in the Building's trash compactor is causing odor or sanitation problems, Landlord may impose such additional or alternative measures as Landlord reasonably deems necessary, such as, without limitation, emptying the Building's trash compactor more frequently than otherwise would be necessary due to such food trash and other waste from the Cafeteria, with the costs of such additional waste management service being charged to Tenant; or requiring Tenant to arrange for a separate dumpster or trash compactor for Tenant's food trash and other waste from the Cafeteria at Tenant's cost; or the installation or performance of additional ventilation or deodorizing equipment or measures, at Tenant's cost. In addition, Tenant will reasonably cooperate with Landlord's reasonable requirements concerning Tenant's disposal of grease and oil generated or used in connection with the Cafeteria.

[signature page follows, remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Lease to be executed and delivered.

TENANT: ZEBRA TECHNOLOGIES CORPORATION, a Delaware corporation

By: /s/ Michael Smiley
Name: Michael Smiley
Title: Chief Financial Officer
Date: November 15, 2013

LANDLORD: THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY, a Wisconsin corporation

By: NORTHWESTERN MUTUAL REAL ESTATE INVESTMENTS, LLC, a Delaware limited liability company, its wholly-owned affiliate and authorized representative

By: /s/ Gary R. Schirmers
Name: Gary R. Schirmers
Title: Director-Field Asset Management
Date: November 26, 2013

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this " **Amendment** ") is dated solely for reference purposes as of June 9, 2014, between The Northwestern Mutual Life Insurance Company, a Wisconsin corporation (" **Landlord** "), and Zebra Technologies Corporation, a Delaware corporation (" **Tenant** ").

R E C I T A L S

A. Landlord and Tenant entered into a certain Lease, dated as of November 15, 2013 (the " **Lease** "). Under the terms of the Lease, Landlord agreed to lease to Tenant space stipulated to contain 230,870 rentable square feet (the " **Initial Premises** ") in the building commonly known as Three Overlook Point located at Three Overlook Point, Lincolnshire Corporate Center, Lincolnshire, Illinois 30069 (the " **Building** ").

B. Tenant notified Landlord that Tenant had exercised the Zebra Sublease Expansion Option to include in the Zebra Sublease Premises all of the rentable space on the 5 th floor of the Building. Pursuant to Section 43(j) of the Lease, Tenant's exercise of the Zebra Sublease Expansion Option under the Zebra Sublease is deemed to be an exercise of the Right of First Offer under the Lease for the same space.

C. The parties desire to amend the Lease to provide for the expansion of the Premises to include all rentable space on the 5 th floor of the Building mutually stipulated to contain 52,387 rentable square feet and currently known as Suite 500 as outlined on the diagram attached as Exhibit A (the " **Expansion Premises** ") on the terms and conditions set forth in this Amendment, and certain other agreements, all as set forth in and subject to the terms and conditions contained in this Amendment.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Capitalized Terms . All capitalized terms which are not specifically defined in this Amendment and which are defined in the Lease will have the same meaning for purposes of this Amendment as they have in the Lease.

2. Expansion Premises . The parties acknowledge that Section 43 (Right of First Offer) specified the area of the Potential Offer Space, and that the Expansion Premises includes all of the Potential Offer Space, but that the rentable area of the Expansion Premises is now mutually stipulated to be 52,387 rentable square feet. Effective as of the Expansion Effective Date (defined below) and through the last day of the Term, Landlord leases to Tenant, and Tenant leases from Landlord, the Expansion Premises on the terms set forth in the Lease as amended hereby. The " **Expansion Effective Date** " means March 1, 2017.

Effective as of the Expansion Effective Date:

(a) except as otherwise provided in this Amendment, all references in the Lease and this Amendment to the term "Premises" will include the Expansion Premises;

(b) all references in the Lease to the rentable square footage of the Premises will be deemed to be 230,870 rentable square feet in the Initial Premises and 52,387 rentable square feet in the Expansion Premises, for a total of 283,257 rentable square feet; and

(c) Tenant's Proportionate Share will be deemed to be 100% (283,257 rentable square feet in the Premises divided by 283,257 rentable square feet in the Building).

3. Rental .

(a) The monthly amount of Base Rent applicable to the Expansion Premises and the Initial Premises, and the portion of the Term during which such monthly amount of Base Rent is payable will be determined from the following **table** . For convenience and ease of reference, the annual rental rate for the computation of Base Rent and the annual Base Rent also are set forth in tabular form with the annual Base

Rent equaling the monthly Base Rent multiplied by 12. In the case of any conflict or inconsistency between the monthly Base Rent installment and the other illustrative figures set forth in tabular form or in any computations utilizing such figures, the monthly Base Rent installment so specified shall be controlling and conclusive.

Rentable Square Feet	255,413			27,844			283,257	
	Premises Excluding Lower Level			Lower Level Premises			Premises Total	
Period	Annualized Base Rent / RSF	Base Rent (annualized)	Monthly Base Rent	Annualized Base Rent / RSF	Base Rent (annualized)	Monthly Base Rent	Base Rent (annualized)	Monthly Base Rent
3/1/2017 - 2/28/2018	$15.00	$3,831,195.00	$319,266.25	$10.00	$278,439.96	$23,203.33	$4,109,634.96	$342,469.58
3/1/2018 - 2/28/2019	$15.41	$3,935,914.32	$327,992.86	$10.28	$286,236.36	$23,853.03	$4,222,150.68	$351,845.89
3/1/2019 - 2/29/2020	$15.83	$4,043,187.84	$336,932.32	$10.56	$294,032.64	$24,502.72	$4,337,220.48	$361,435.04
3/1/2020 - 2/28/2021	$16.27	$4,155,669.52	$346,297.46	$10.85	$302,107.44	$25,175.62	$4,457,676.96	$371,473.08
3/1/2021 - 2/28/2022	$16.72	$4,270,505.40	$355,875.45	$11.15	$310,460.64	$25,871.72	$4,580,966.04	$381,747.17
3/1/2022 - 2/28/2023	$17.18	$4,387,995.36	$365,666.28	$11.46	$319,092.24	$26,591.02	$4,707,087.60	$392,257.30
3/1/2023 - 2/29/2024	$17.66	$4,508,039.40	$375,669.95	$11.78	$328,002.36	$27,333.53	$4,836,041.76	$403,003.48
3/1/2024 - 2/28/2025	$18.14	$4,633,191.84	$386,099.32	$12.10	$336,912.36	$28,076.03	$4,970,104.20	$414,175.35
3/1/2025 - 2/28/2026	$18.64	$4,760,898.36	$396,741.53	$12.43	$346,100.88	$28,841.74	$5,106,999.24	$425,583.27
3/1/2026 - 11/30/2026	$19.15	$4,891,158.96	$407,596.58	$12.77	$355,567.92	$29,630.66	$5,246,726.88	$437,227.24

(a) The provisions of Section 1(b) (Rent Abatement) of the Lease will apply to the Expansion Premises in addition to the Initial Premises.

4. Preparation and Condition of Expansion Premises .

(a) In the Schedule of Significant Terms of the Lease, the definitions of Allowance and Additional Allowance are hereby replaced by the following:

Allowance:	$12,328,905 ((i) $11,493,585 ($45 x 255,413 rsf (Premises excluding lower level)); + (ii) $835,320 ($30 x 27,844 rsf (lower level Premises))) [See Exhibit D]
Additional Allowance:	$1,892,406.11 (i.e., (i) $1,580,625.21 attributable to the Initial Premises; + (ii) $311,780.90 attributable to the Expansion Premises) [See Exhibit D]

(a) The Work Letter attached as Exhibit D to the Lease is hereby replaced with the Work Letter attached as Exhibit D hereto, and all references in the Lease or this Amendment to the “Work Letter” will refer to the replacement Work Letter attached hereto as Exhibit D . The Work Letter attached hereto as Exhibit D will apply to the Initial Premises and Expansion Premises collectively. Except as expressly set forth in the Work Letter attached hereto as Exhibit D , Landlord is leasing the Expansion Premises to Tenant "as is," without any representations or warranties of any kind (including, without limitation, any express or implied warranties of merchantability, fitness or habitability).

(b) Tenant's taking possession of the Expansion Premises shall be conclusive evidence against Tenant, and upon said taking of possession Tenant shall execute an agreement with Landlord stating that, the Expansion Premises were then in good order and satisfactory condition, excluding latent defects (other than latent (or other) defects in the Tenant Work); the parties acknowledge that such taking of possession will occur before the Commencement Date of the Term of this Lease. No promises of the Landlord to alter, remodel, improve, repair, decorate, or clean the Expansion Premises or any part thereof have been made, and no representation respecting the condition of the Expansion Premises, the Building, or the Land, has been made to Tenant by or on behalf of Landlord except to the extent expressly set forth herein, or in the Work Letter attached hereto.

5. Other Lease Provisions .

(a) Section 2(a)(iii) (Expenses) of the Lease is hereby modified by replacing clause (xiv) therein with the following: “(xiv) the costs of maintaining, operating, and repairing the Building Monument Sign (as defined in Section 41), the Access System (as defined in the Work Letter), and any Building lobby directory”.

(b) Section 41 (Building Monument Sign) of the Lease is hereby modified to replace the first grammatical paragraph thereof with the following:

Landlord agrees that, subject to the terms and conditions set forth in this Section 41, Tenant will have the right, at Tenant’s sole cost and expense, to install a single-tenant monument sign in a location on the Land reasonably designated by Landlord and reasonably approved by Tenant (the “ **Building Monument Sign** ”), and in such event, Tenant will be permitted to attach a sign (“ **Tenant’s Sign Panel** ”) consisting of Tenant’s name and corporate logo on the slot allocated thereon to Tenant, in each case subject to all applicable governmental laws, rules and regulations. Tenant will be responsible for all costs in connection with Tenant’s Sign Panel, including, without limitation, the cost of design, construction, maintenance, operation and removal at the end of the Term. Tenant’s Sign Panel and the design and appearance thereof will and subject to the prior written approval by Landlord, which approval will not be unreasonably withheld or delayed However, Tenant may apply a portion of the Allowance toward Tenant’s reasonable, actual out-of-pocket costs incurred with respect to the initial construction and installation of the Building Monument Sign and the initial design, purchase, and installation of Tenant’s Sign Panel. The following terms and conditions will apply to the Building Monument Sign:

In addition, subsection (h) of Section 41 of the Lease is hereby deleted.

(c) Section 42 (Hewitt Second Amendment) of the Lease is of no force or effect.

(d) Section 43 (Right of First Offer) of the Lease is hereby deleted in its entirety.

6. Authority; Not Restricted . Landlord and Tenant each represent and warrant to the other that this Amendment has been duly authorized, executed and delivered by and on behalf of each party hereto and constitutes the valid and binding agreement of Landlord and Tenant in accordance with the terms hereof. Tenant warrants and represents to Landlord that Tenant is not, and shall not become, a person or entity with whom Landlord is restricted from doing business under regulations of the Office of Foreign Asset Control (" **OFAC** ") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

7. Real Estate Brokers . Neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Amendment, other than Jones Lang LaSalle Midwest LLC, representing Tenant (the " **Broker** "), whose commission shall be paid by Landlord pursuant to separate written agreement. Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys’ fees, liens and other liability for commissions or other compensation claimed by any other broker or agent claiming the same by, through, or under the indemnifying party.

8. Stipulation . The Premises are stipulated for all purposes to contain the number of rentable square feet as set forth in this Amendment. Unless otherwise expressly provided herein, any statement of square footage set forth in this Amendment, or that may have been used in calculating rental, is an approximation which Landlord and Tenant agree is reasonable and the rental based thereon is not subject to revision whether or not the actual square footage is more or less.

9. Counterparts . This Amendment may be executed in any number of counterparts and by each of the undersigned on separate counterparts, and each such counterpart will be deemed to be an original, but all such counterparts will together constitute but one and the same Amendment.

10. Time of Essence . Time is of the essence of this Amendment.

11. No Offer . Submission of this instrument for examination or negotiation will not bind Landlord, and no obligation on the part of Landlord will arise until this Amendment is executed and delivered by both Landlord and Tenant.

12. Entire Agreement . This Amendment and the Lease contain all the terms, covenants, conditions and agreements between Landlord and Tenant relating to the expansion of the Premises and the other matters provided for in this instrument. No prior or other agreement or understanding pertaining to such matters other than the Lease will be valid or of any force or effect. This Amendment may only be modified by an agreement in writing signed by Landlord and Tenant.

13. No Presumption . Landlord and Tenant understand, agree and acknowledge that (1) this Amendment has been freely negotiated by both parties, and (2) in any controversy, dispute or contest over the meaning, interpretation, validity or enforceability of this Amendment or any of its terms or conditions, there will be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this Amendment or any portion thereof.

14. Limitation on Liability . The liability of Landlord to Tenant under this Amendment will be limited as provided in Section 35 of the Lease, which Section is incorporated herein by reference as though fully set forth herein.

[remainder of this page left intentionally blank]

15. Lease in Full Force and Effect . As modified hereby, the Lease and all of the terms and provisions thereof remain in full force and effect and are incorporated herein as if herein fully recited.

TENANT: Zebra Technologies Corporation, a Delaware corporation

By: /s/ Todd Naughton

Name: Todd Naughton

Title: Vice President, Finance

Date: June 16, 2014

LANDLORD: The Northwestern Mutual Life Insurance Company, a Wisconsin corporation

By: NORTHWESTERN MUTUAL REAL ESTATE INVESTMENTS, LLC, a Delaware limited liability company, its wholly-owned affiliate and authorized representative

By: /s/ Gary R. Schirmers
Name: Gary R. Schirmers
Title: Director – Field Asset Management
Date: June 17, 2014

RECEIVABLES PURCHASE AGREEMENT

Dated as of December 1, 2017

among

ZEBRA TECHNOLOGIES INTERNATIONAL, LLC

as the Originator,

and

ZEBRA TECHNOLOGIES RSC, LLC
as Buyer

TABLE OF CONTENTS

SECTION HEADING PAGE

SECTION 1. DEFINITIONS AND RELATED MATTERS 1

Section 1.1. Defined Terms 1
Section 1.2. Other Interpretive Matters 7

SECTION 2. AGREEMENT TO PURCHASE AND SELL 7

Section 2.1. Sales and Purchases 7
Section 2.2. Payment for the Purchases 8
Section 2.3. No Recourse or Assumption of Obligations 9

SECTION 3. ADMINISTRATION AND COLLECTION 10

Section 3.1. Zebra Technologies International, LLC to Act as Servicer 10
Section 3.2. Repurchase; Adjustments to Purchase Price 10
Section 3.3. Application of Collections 11
Section 3.4. Responsibilities of the Originator 11

SECTION 4. REPRESENTATIONS AND WARRANTIES 12

Section 4.1. Representations and Warranties of the Originator 12

SECTION 5. GENERAL COVENANTS 16

Section 5.1. Affirmative Covenants of the Originator 16
Section 5.2. Negative Covenants of the Originator 22

SECTION 6. TERMINATION OF PURCHASES 23

Section 6.1. Voluntary Termination 23
Section 6.2. Automatic Termination 23

SECTION 7. INDEMNIFICATION 23

Section 7.1. Originator's Indemnity 23
Section 7.2 Indemnification Due to Failure to Consummate Purchase 25
Section 7.3 Other Costs 26

SECTION 8. MISCELLANEOUS 26

Section 8.1. Amendments, Waivers, etc 26
Section 8.2. Protection of Ownership Interests of the Buyer 26
Section 8.3. Assignment of Agreement 27
Section 8.4. Limitation of Liability 27
Section 8.5. Binding Effect; Assignment 27
Section 8.6. Survival 27
Section 8.7. Costs, Expenses and Taxes 28
Section 8.8. Execution in Counterparts; Integration 28
Section 8.9. Severability; Section References 28
Section 8.10. Governing Law 28
Section 8.11 Consent to Jurisdiction 28
Section 8.12. Waiver of Jury Trial 29
Section 8.13. No Proceedings 29
Section 8.14. Notice 29
Section 8.15. Entire Agreement 30
Section 8.16. Power of Attorney 30

EXHIBIT A - JURISDICTION OF ORGANIZATION OF THE ORIGINATOR; PLACES OF BUSINESS OF THE ORIGINATOR; LOCATIONS OF RECORDS; FEDERAL EMPLOYER IDENTIFICATION NUMBER
EXHIBIT B - NAMES OF COLLECTION ACCOUNT BANKS AND COLLECTION ACCOUNTS

THIS RECEIVABLES PURCHASE AGREEMENT dated as of December 1, 2017 (this *"Agreement"*) is among ZEBRA TECHNOLOGIES INTERNATIONAL, LLC, an Illinois limited liability company (the *"Originator"*), and ZEBRA TECHNOLOGIES RSC, LLC, a Delaware limited liability company (the *"Buyer"*). The parties agree as follows:

SECTION 1. DEFINITIONS AND RELATED MATTERS .

Section 1.1. Defined Terms . Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Receivables Financing Agreement, and if not defined therein, such terms shall be defined as defined in Article 9 of the New York UCC. In addition, the following terms will have the meanings specified below:

"Account Control Agreement" has the meaning set forth in the Receivables Financing Agreement.

"Administrative Agent" means PNC Bank, National Association, as agent for the Lenders and their assigns under the Receivables Financing Agreement together with its successors and assigns in such capacity.

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

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

"Available Funds" is defined in Section 2.2(b) hereof.

"Buyer" has the meaning set forth in the preamble.

"Calculation Period" means a calendar month.

"Closing Date" means the date on which this Agreement becomes effective in accordance with its terms.

"Collection Account Bank" has the meaning set forth in the Receivables Financing Agreement.

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

"Contract" means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

"Credit and Collection Policy" means the Originator's credit and collection policies and practices relating to its Contracts and Receivables in effect on the date hereof, as modified from time to time in accordance with this Agreement and the Receivables Financing Agreement.

"Defaulted Receivable"" means a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for more than 90 days from the original due date for such payment;

(b) as to which any payment, or part thereof, remains unpaid for less than 91 days from the original due date for such payment and consistent with the Credit and Collection Policy, has been or should be written off the Originator's or the Buyer's books as uncollectible; or

(c) without duplication, as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto.

"Delinquent Receivable" means a Receivable as to which any payment, or part thereof, remains unpaid for 91 days or more from the original due date for such payment. Such amounts shall be calculated without giving effect to any netting of credits that have not been applied to a particular Receivable for the purpose of aged trial balance reporting.

"Discount" means, in respect of each purchase of a Receivable pursuant to Section 2.1 hereof, 0.58% of the Outstanding Balance of such Receivable; provided, however, the foregoing Discount may be revised prospectively by request of either of the parties hereto to reflect changes in recent experience with respect to write-offs, timing and cost of Collections and cost of funds, provided that such revision is consented to by each of the parties hereto (it being understood that each party agrees to duly consider such request but shall have no obligation to give such consent).

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

(a) the Obligor of which is: (i) a resident of the United States of America, and Eligible Canadian Obligor, or an Eligible Foreign Obligor; (ii) not a Governmental Authority, (iii) not a Sanctioned Person; (iv) not subject to any Insolvency Proceeding; (v) not an Affiliate of the Buyer, the Servicer or the Originator; and (vi) not the Obligor with respect to Defaulted Receivables with an aggregate Outstanding Balance exceeding 50% of the aggregate Outstanding Balance of all of such Obligor's Pool Receivables;

(b) (i) that is denominated and payable only in U.S. dollars in the United States of America, and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock Box or Collection Account in the United States of America, (ii) that is denominated and payable in Canadian Dollars in the United States of America and the Obligor with respect to which has been instructed to

remit Collections in respect thereof directly to a Lock-Box or Collection Account in the United States of America, or (iii) that is denominated and payable in Canadian Dollars or U.S. Dollars in Canada, and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock Box or Collection Account in Canada;

(c) that does not have a due date which is 121 days or more after the original invoice date of such Receivable;

(d) that arises under a Contract for the sale of goods or services entered into on an arm's length basis in the ordinary course of the Originator's business;

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

(f) that has been transferred by the Originator to the Buyer pursuant to this Agreement with respect to which transfer all conditions precedent under this Agreement have been met;

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

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

(i) that is not subject to any existing dispute, litigation, right of rescission, set-off, counterclaim, hold back, any other defense against the Originator (or any assignee of the Originator) or Adverse Claim (including customer deposits, advance payments (including payments related to unearned revenues)), and the Obligor of which holds no right as against the Originator to cause the Originator to repurchase the goods or merchandise, the sale of which shall have given right to such Receivable, *provided, however,* that if such dispute, litigation, right of rescission, set-off, counterclaim, hold back, other defense or Adverse Claim affects only a portion of the Outstanding Balance of such Receivable, then such Receivable may be deemed an Eligible Receivable to the extent of the portion of such Outstanding Balance which is not so affected;

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

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

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

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

(n) that constitutes an "account" or "general intangible" as defined in the UCC, and that is not evidenced by instruments or chattel paper;

(o) that is neither a Defaulted Receivable nor a Delinquent Receivable;

(p) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Originator or by the Buyer and such Receivable shall have been billed or invoiced and the related goods or merchandise shall have been shipped and/or services performed;

(q) for which such Receivable shall have been billed or invoiced by or on behalf of the Servicer;

(r) that does not arise from the sale of as-extracted collateral, as such term is used in the UCC;

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

interest in or an assignment of a claim under a policy of insurance;

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

(u) represents amounts that have been recognized as revenue by the Originator in accordance with GAAP.

provided, that for purposes of this Agreement, clauses (f), (l) and (m) of such definition shall be satisfied to the extent that immediately after the transfer from the Seller to the Buyer hereunder each such clause is true.

"Excluded Losses" is defined in Section 7.1 hereof.

"Initial Conveyance Date" means the date of the first conveyance by the Buyer from the Originator under this Agreement.

"Lenders" means each commercial paper conduit and financial institution from time to time party to the Receivables Financing Agreement, as lenders.

"Lock-Box" means each locked postal box with respect to which a Collection Account Bank who has executed an Account Control Agreement pursuant to which it has been granted exclusive access for the purpose of retrieving and processing payments made on the Receivables and which is listed on Exhibit B (as such exhibit may be modified from time to time in connection with the addition or removal of any Lock-Box in accordance with the terms hereof).

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

"Originator" has the meaning set forth in the preamble.

"Outstanding Balance" means, at any time of determination, with respect to any Receivable, the then outstanding principal balance thereof; for the avoidance of doubt, the "Outstanding Balance" of any Receivable originated by the Originator is the then net outstanding principal balance thereof, as determined by the Servicer in accordance with its customary practices.

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

"Purchase Price" means, with respect to each purchase pursuant to Section 2.1 of this Agreement, an amount equal to the Outstanding Balance of the Receivables that are the subject of such purchase minus the aggregate Discount applicable to such Receivables.

" *Purchased Receivables* " means all Receivables purchased by the Buyer from the Originator pursuant to this Agreement and not otherwise repurchased by the Originator in accordance with the terms hereof.

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

"Receivables Financing Agreement" means that certain Receivables Financing Agreement dated as of December 1, 2017, among Zebra Technologies RSC, LLC, as Borrower, Zebra Technologies International, LLC, as initial Servicer, the commercial paper conduits and financial institutions from time to time party thereto, as Lenders, PNC Bank, National Association, as Administrative Agent, and PNC Capital Markets, LLC, as Structuring Agent, as such agreement may be amended or modified from time to time.

"Related Security" means, with respect to any Receivable:

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

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

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto; and

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

"Servicer" means, initially, Zebra Technologies International, LLC, an Illinois limited liability company, as initial Servicer under the Receivables Financing Agreement, and any Person authorized to service, administer and collect Purchased Receivables under the Receivables Financing Agreement.

"Sold Assets" means all of the Originator's right, title and interest, whether now owned and existing or hereafter arising in and to all of (i) the Purchased Receivables, (ii) the Related Security with respect to such Purchased Receivables, (iii) all Collections with respect to such Purchased Receivables, (iv) any interest of the Originator in the Lock-Boxes and Collection Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Boxes and Collection Accounts and amounts on deposit therein, and (v) all proceeds of the foregoing.

"Subsidiary" means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

"Termination Date" means the date on which a termination of the purchase and sale of Receivables hereunder shall have occurred pursuant to Section 6.1 or 6.2 hereof.

Section 1.2. Other Interpretive Matters . In this Agreement, unless otherwise specified: (a) references to any Section or Annex refer to such Section of, or Annex to, this Agreement, and references in any Section or definition to any subsection or clause refer to such subsection or clause of such Section or definition; (b) *"herein", "hereof", "hereto", "hereunder"* and similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement; (c) *"including"* means including without limitation, and other forms of the verb *"to include"* have correlative meanings; (d) the word *"or"* is not exclusive; and (e) captions are solely for convenience of reference and shall not affect the meaning of this Agreement.

SECTION 2. AGREEMENT TO PURCHASE AND SELL .

Section 2.1. Sales and Purchases . Effective on the date hereof, in consideration of the Purchase Price and upon the terms and subject to the conditions set forth herein, the Originator hereby sells, assigns, transfers, sets-over and otherwise conveys or contributes to the Buyer, without recourse (except to the extent expressly provided in this Agreement), and the Buyer hereby purchases (or accepts the contribution, as applicable) from the Originator, all of the Originator's right, title and interest in and to (i) all Receivables owned by the Originator as of the opening of business on the Closing Date, (ii) all Receivables that arise or are created by the Originator thereafter through and including the Originator's Termination Date, (iii) all Related Security and Collections relating to or arising from the aforementioned Receivables, in each case, whether now owned and existing or hereafter arising or acquired, and (iv) all other Sold Assets related thereto. In accordance with the preceding sentence, on the date hereof, the Originator shall sell and assign or contribute to the Buyer, and the Buyer shall acquire all of the Originator's right, title and interest in and to all Receivables of the Originator existing as of the opening of business on the Closing Date together with all Related Security and Collections and other Sold Assets relating thereto. On each Business Day after the date hereof, the Originator shall sell or contribute and Buyer shall acquire all of the Originator's right, title and interest in and to all Receivables generated by the Originator which have not previously been sold or contributed to the Buyer arising through and including the Originator's Termination Date, together with all Related Security and all Collections and other Sold Assets relating thereto. The Buyer shall be obligated to pay the Purchase Price for the Receivables purchased hereunder in accordance with Section 2.2 . In connection with each acquisition of Receivables hereunder, the Buyer may request that the Originator deliver, and the Originator shall deliver, such approvals, opinions, information, reports or documents as the Buyer may reasonably request.

All additional Sold Assets with respect to each Purchased Receivable conveyed hereunder shall be transferred at the same time as such Purchased Receivable, whether such Sold Assets exist at such time or arise or are acquired or otherwise arise thereafter.

Section 2.2. Payment for the Purchases . (a) The Receivables of the Originator in existence on the Initial Conveyance Date are hereby sold (or contributed, as applicable) and assigned to the Buyer by the Originator on the date hereof. Each Receivable of the Originator coming into existence after the Initial Conveyance Date, shall be sold or contributed to the Buyer on the Business Day occurring immediately after the day such Receivable is originated and the Purchase Price for such Receivable shall be due and owing in full by Buyer to the Originator on such Business Day (except that the Buyer may, with respect to any such Purchase Price, offset against such Purchase Price any amounts owed by the Originator to the Buyer hereunder and which have become due but remain unpaid) and shall be paid to the Originator in the manner provided in the following paragraphs (b) and (c).

(b) With respect to any Receivables sold by the Originator hereunder after the date hereof, on the first Business Day after such Receivable is originated, such Receivable shall be sold to Buyer and on such date of Purchase, Buyer shall pay the Purchase Price therefor to the Originator in accordance with Section 2.2(c) and by delivery of immediately available funds to the extent of funds available to Buyer (i) from monies then held by or on

behalf of the Buyer, (ii) by an increase in the capital of the Originator in the Buyer, or (iii) a combination of clauses (i) and (ii).

(c) Although the Purchase Price for each Receivable coming into existence after the Initial Conveyance Date shall be due and payable in full by the Buyer to the Originator on the date such Receivable is purchased, settlement of the Purchase Price between the Buyer and the Originator may be effected on a monthly basis no later than each Settlement Date with respect to all Receivables sold by the Originator during the same Calculation Period most recently ended prior to such Settlement Date and based on the information contained in the Information Package delivered by the Servicer pursuant to Section 8.02(a)(ii) of the Receivables Financing Agreement for such Calculation Period.

(d) At all times prior to the Termination Date, notwithstanding any delay in the making of any payment of the Purchase Price in respect of any purchase under Section 2.1, all right, title and interest of the Originator in and to each Receivable originated by it shall be sold, assigned and otherwise transferred to the Buyer effective immediately and automatically upon the creation of such Receivable, without any further action of any type or kind being required on the part of any Person. The monthly settlement contemplated in this Section 2.2 has been devised solely for the administrative convenience of the parties hereto. The Buyer and the Originator may at any time, as may be agreed between themselves, elect to effect settlement on a more (but not less) frequent basis.

Section 2.3. No Recourse or Assumption of Obligations . Except as specifically provided in this Agreement, the contribution, purchase and sale of Receivables and other Sold Assets under this Agreement shall be without recourse to the Originator, *provided, however,* that the Originator shall be liable to the Buyer and its assigns for all representations, warranties, covenants and indemnities made by the Originator (other than in its role as Servicer) pursuant to the terms of the Transaction Documents to which the Originator is a party. The Originator and the Buyer intend the transactions hereunder to constitute absolute and irrevocable true sales or other absolute conveyances of the Purchased Receivables and other Sold Assets by the Originator to the Buyer, providing the Buyer with the full risks and benefits of ownership of the Sold Assets (such that the Sold Assets would not be property of the Originator's estate in the event of the Originator's bankruptcy). If, however, despite the intention of the parties, the conveyances provided for in this Agreement are determined not to be *"true sales"* or other absolute conveyances of Receivables and the other Sold Assets from the Originator to the Buyer, then this Agreement shall also be deemed to be a *"security agreement"* within the meaning of Article 9 of the UCC and the Originator hereby grants to the Buyer a *"security interest"* within the meaning of Article 9 of the UCC in all of the Originator's right, title and interest in and to such Purchased Receivables and the other Sold Assets, now existing and hereafter created, to secure a loan in an amount equal to the aggregate purchase prices therefor and each of the Originator's other payment obligations under this Agreement.

The Buyer shall not have any obligation or liability with respect to any Receivable other than payment of the Purchase Price therefor, nor shall the Buyer have any obligation or liability to any Obligor or other customer or client of the Originator (including any obligation to perform any of the obligations of the Originator or the Servicer under any Receivable).

In view of the intention of the parties hereto that each sale of Receivables made hereunder shall constitute a true sale of such Receivables rather than a loan secured thereby, the Originator agrees that it has marked, or will mark prior to the date on which it becomes a party to this Agreement **,** in accordance with Section 5.1(l), its master data processing records relating to the Receivables with a legend reasonably acceptable to the Buyer and to the Administrative Agent (as the Buyer's assignee), evidencing that the Buyer has acquired such Receivables as provided in this Agreement and that it will note in its financial statements that its Receivables have been sold to the Buyer. Upon the request of the Buyer or the Administrative Agent (as the Buyer's assignee), the Originator will execute (if required) and file or authorize the filing of such financing or continuation statements, or amendments thereto or assignments thereof, and such other instruments or notices, as may be necessary or appropriate to perfect and maintain the perfection of the Buyer's ownership interest in the Receivables and the Related Security, Collections and other Sold Assets with respect thereto, or as the Buyer or the Administrative Agent (as the Buyer's assignee) may reasonably request.

SECTION 3. ADMINISTRATION AND COLLECTION .

Section 3.1. Zebra Technologies International, LLC to Act as Servicer . Pursuant to the Receivables Financing Agreement, Zebra Technologies International, LLC has been appointed as the initial servicer (in such capacity, the " *Servicer* ") for the administration and servicing of all Receivables sold to the Buyer hereunder and subsequently pledged under the Receivables Financing Agreement to the Administrative Agent. Pursuant to the Receivables Financing Agreement, Zebra Technologies International, LLC has agreed to assume the duties and the administration and servicing obligations of the Receivables as Servicer, and perform all necessary and appropriate commercial collection activities in arranging the timely payment of amounts due and owing by any Obligor with respect to Receivables all in accordance with the terms set forth in the Receivables Financing Agreement; *provided, however* , that such appointment as Servicer shall not release the Originator from any of its respective duties, responsibilities, liabilities and obligations as the Originator resulting from or arising hereunder. The Servicer may be removed in accordance with the provisions of the Receivables Financing Agreement.

Section 3.2. Repurchase; Adjustments to Purchase Price . If on any day:

(i) the Outstanding Balance of any Purchased Receivable is reduced or cancelled as a result of any defective, returned or rejected goods or services, any cash discount or any other adjustment by the Originator or any Affiliate thereof, or as a result of any governmental or regulatory action, or

(ii) the Outstanding Balance of any Purchased Receivable is reduced or canceled as a result of a setoff in respect of any claim

by the Obligor thereof (whether such claim arises out of the same or a related or an unrelated transaction), or

(iii) the Outstanding Balance of any Purchased Receivable is reduced on account of the obligation of the Originator to pay to the related Obligor any rebate or refund, or

(iv) the Outstanding Balance of any Purchased Receivable is less than the amount specified in any report delivered by the Originator to the Buyer (for any reason other than receipt of Collections or such Receivable becoming a Defaulted Receivable), or

(v) the Outstanding Balance of any Purchased Receivable is reduced or cancelled (for any reason other than the financial inability or refusal of the Obligor to pay undisputed indebtedness or receipt of Collections or such Receivable becoming a Defaulted Receivable), or

(vi) any of the representations or warranties of the Originator set forth in Section 4.1(n) (Accuracy of Information)), Section 4.1(q) (Perfection Representations), Section 4.1(r) (Lock-Boxes), Section 4.1(s) (Collections), 4.1(z) (Compliance with Credit and Collection Policy), 4.1(aa) (Payments to Originator), 4.1(bb) (Enforceability of Contracts) or 4.1(cc) (Accounting) were not true with respect to any Purchased Receivable when conveyed hereunder,

then, the Buyer shall be entitled to a credit against the Purchase Price otherwise payable to the Originator hereunder on such day (A) in the case of clauses (i)-(iv) above, in the amount of such reduction or cancellation or in the case of clause (v), discrepancy; and (B) in the case of clause (vi) above, in the amount of the Outstanding Balance of such Purchased Receivable. If such credit to the Purchase Price exceeds the Purchase Price for the Receivables sold by the Originator on such date or if the Buyer is required to make any payment pursuant to the terms of the Receivables Financing Agreement and does not have sufficient funds to do so, then the Originator shall pay the full or remaining amount of such credit, as applicable, by making a deposit in the Lockbox Account specified by the Buyer, in immediately available funds, within two (2) Business Days after the Originator has received notice from the Administrative Agent or the Originator has knowledge of such event. Any payment of the Outstanding Balance as contemplated by clause (B) above shall be considered a repurchase of such Receivable by the Originator and the Buyer shall transfer any interest it has in such Receivable to the Originator free and clear of any Adverse Claims arising by, through or under the Buyer and the transfer shall be noted on the books and records of the Originator as of the date thereof.

Section 3.3. Application of Collections . Any payment made by an Obligor that is not specified by such Obligor to relate to a particular invoice or other obligation of such Obligor shall, unless otherwise required by the related contracts or law, be applied, *first,* as a Collection of any Receivable or Receivables then outstanding of such Obligor in the order of the age of such Receivables, starting with the oldest of such Receivables, and, *second,* to any other indebtedness of such Obligor to the Originator.

Section 3.4. Responsibilities of the Originator . Subject to the Servicer's rights and responsibilities under the Receivables Financing Agreement, the Originator shall perform all of its obligations under the Contracts related to the Receivables to the same extent as if interests in the Receivables had not been transferred hereunder. The Administrative Agent's, Buyer's or any Secured Party's exercise of any rights hereunder or under the Receivables Financing Agreement shall not relieve the Originator from such obligations. Neither the Administrative Agent, the Buyer, nor any Secured Party shall have any obligation to perform any obligation of the Originator in connection with the Receivables.

SECTION 4. REPRESENTATIONS AND WARRANTIES .

Section 4.1 . Representations and Warranties of the Originator . The Originator hereby represents and warrants to the Buyer, as to itself, as of the date hereof and as of the date of each sale or contribution, as applicable, of Receivables hereunder that:

(a) *Organization and Good Standing.* The Originator is the type of organization as set forth on Exhibit A of this Agreement and is validly existing in good standing under the laws of the State of the Originator's organization as set forth on Exhibit A and has the power and authority under its organizational documents and the laws of its jurisdiction of organization to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Originator is duly qualified to do business, is in good standing as a foreign entity and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Originator (i) has all necessary power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and (C) sell, transfer or otherwise convey the Purchased Receivables to the Buyer on the terms and subject to the conditions herein provided and (ii) has duly authorized by all necessary action such sale, transfer or conveyance by the Originator and the execution, delivery and performance by the Originator of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which the Originator is a party constitutes legal, valid and binding obligations of the Originator, enforceable against the Originator in accordance with their respective terms,

except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Violation.* The execution, delivery and performance by the Originator of, and the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents to which the Originator is a party, and the fulfillment of the terms hereof and thereof by the Originator, will not (i) result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any material indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other material agreement or instrument to which the Originator is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Sold Assets pursuant to the terms of any such material indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other material agreement or instrument other than this Agreement and the other Transaction Documents or (iii) violate any Applicable Law, except to the extent that any such breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(f) *Litigation and Other Proceedings.* (i) There is no action, suit, proceeding or investigation pending or, to the knowledge of the Originator, threatened, against the Originator before any Governmental Authority and (ii) the Originator is not subject to any order, judgment, decree, injunction, stipulation or consent order of or with any Governmental Authority that, in the case of either of the foregoing clauses (i) and (ii), (A) asserts the invalidity of this Agreement or any other Transaction Document, (B) seeks to prevent the sale of the Purchased Receivables or the other Sold Assets by the Originator to the Buyer, the ownership or acquisition by the Buyer of any Purchased Receivables or other Sold Assets or the consummation of any of the transactions contemplated by this Agreement, the Receivables Financing Agreement or any other Transaction Document, (C) seeks any determination or ruling that could materially and adversely affect the performance by the Originator of its obligations under, or the validity or enforceability of, this Agreement or any other Transaction Document or (D) individually or in the aggregate for all such actions, suits, proceedings and investigations could reasonably be expected to have a Material Adverse Effect.

(g) *Governmental Approvals.* Except where the failure to obtain or make such authorization, consent, order, approval or action could not reasonably be expected to have a Material Adverse Effect and for the filing of financing statements necessary to perfect the ownership interests in the Purchased Receivables created pursuant to this Agreement, all authorizations, consents, orders and approvals of, or other actions by, any Governmental Authority that are required to be obtained by the Originator in connection with the sale of the Purchased Receivables and the other Sold Assets to the Buyer hereunder or the due execution, delivery and performance by the Originator of this Agreement or any other Transaction Document to which it is a party and the consummation by the Originator of the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party have been obtained or made and are in full force and effect.

(h) *Margin Regulations.* The Originator is not engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meanings of Regulations T, U and X of the Board of Governors of the Federal Reserve System).

(i) *Taxes.* The Originator has (i) timely filed or caused to be filed all tax returns (federal, state and local) required to be filed by it and (ii) paid, or caused to be paid, all taxes, assessments and other governmental charges, if any, other than (a) taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings, (b) as to which adequate reserves have been provided in accordance with GAAP or (c) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect.

(j) *Solvency.* After giving effect to the transactions contemplated by this Agreement and the other Transaction Documents to which the Originator is a party, the Originator is Solvent.

(k) *Offices; Legal Name.* The Originator's sole jurisdiction of organization is set forth on Exhibit A hereof and such jurisdiction has not changed within four months prior to the date of this Agreement. The office of the Originator is located at the applicable address specified on Exhibit A . The legal name of the Originator is Zebra Technologies International, LLC.

(l) *Investment Company Act.* The Originator is not, and is not controlled by, an "investment company" within the meaning of the Investment Company Act.

(m) *Accuracy of Information.* All certificates, reports, written statements, documents and other written information furnished to the Buyer by or on behalf of the Originator pursuant to any provision of this Agreement, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement is, at the time the same are so furnished, complete and correct in all material respects on the date the same are furnished to the Buyer and does not contain any material misstatement of fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

(n) *No Sanctions.* The Originator is not a Sanctioned Person. To the Originator's knowledge, no Obligor was a Sanctioned Person at the time of origination of any Purchased Receivable owing by such Obligor. Neither the Originator nor any Subsidiary of the Originator (i) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (ii) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned

Person in violation of any Anti-Terrorism Law; or (iii) engages in any dealings or transactions prohibited by any Anti-Terrorism Law.

(o) *Perfection Representations.* (i) When the Buyer makes a purchase of Receivables or accepts a contribution of Receivables hereunder, as applicable, it shall acquire valid and perfected first priority ownership of each Purchased Receivable and the Related Security and Collections with respect thereto free and clear of any Adverse Claim (other than any Adverse Claim arising solely as a result of any action taken by the Buyer). This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Originator's right, title and interest in, to and under the Sold Assets which (A) security interest has been perfected and is enforceable against creditors of and purchasers from the Originator and (b) will be free of all Adverse Claims in such Sold Assets.

(ii) The Receivables constitute "accounts" or "general intangibles" within the meaning of Section 9-102 of the UCC.

(iii) The Originator owns and has good and marketable title (immediately prior to its sale or contribution hereunder) to the Sold Assets free and clear of any Adverse Claim of any Person.

(iv) All financing statements, financing statement amendments and continuation statements required under the terms of this Agreement have been or will be filed in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect (and continue the perfection of) the sale of the Sold Assets from the Originator to the Buyer pursuant to this Agreement.

(v) Other than the backup security interest granted to the Buyer pursuant to Section 2.3 of this Agreement, the Originator has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Sold Assets to any Person other than the Buyer, except as permitted by this Agreement and the other Transaction Documents. The Originator has not authorized the filing of and the Originator is not aware of any financing statements filed against the Originator that include a description of collateral covering the Sold Assets other than any financing statement (i) in favor of the Buyer, (ii) that has been terminated or (iii) arising solely as a result of any action taken by the Buyer. The Originator is unaware of any judgment lien, ERISA lien or tax lien filings against such Buyer.

(p) *Collections.* The conditions and requirements set forth in Section 5.1(g) of this Agreement have at all times since the Closing Date, been satisfied and duly performed.

(q) *Compliance with Law.* The Originator has complied in all material respects with all Applicable Laws to which it is subject.

(r) *Bulk Sales Act.* No transaction contemplated by this Agreement requires compliance with any bulk sales act or similar law.

(s) *Opinions.* The facts regarding the Originator, the Receivables, the Related Security and the related matters set forth or assumed in each of the opinions of counsel delivered in connection with this Agreement, the Receivables Financing Agreement and the other Transaction Documents are true and correct in all material respects.

(t) *Other Transaction Documents* . Each representation and warranty made by the Originator under each other Transaction Document to which it is a party is true and correct in all material respects when made, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such date)

(u) *Reaffirmation of Representations and Warranties.* On the date of each purchase of Receivables under this Agreement, the Originator shall be deemed to have certified that all representations and warranties of the Originator hereunder are true and correct in all material respects on and as of such day as though made on and as of such day, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such date).

(v) *Compliance with Credit and Collection Policy.* The Originator has complied in all material respects with the applicable Credit and Collection Policy with regard to each Purchased Receivable and the related Contract; provided that the failure to have collected any Purchased Receivable as a result of the insolvency, bankruptcy or lack of creditworthiness of an Obligor shall not constitute a breach of this clause (v) so long as the Originator has otherwise complied with the applicable Credit and Collection Policy in respect of such Purchased Receivable. The Originator has not made any material change to such Credit and Collection Policy, except such material change as to which the Buyer and the Administrative Agent have been notified in accordance with Section 5.1(c).

(w) *Payments to Originator.* With respect to each Purchased Receivable, the Buyer has given reasonably equivalent value to the Originator in consideration therefor and such transfer was not made for or on account of an antecedent debt. At the time of its sale or contribution hereunder, no transfer by the Originator of any Purchased Receivable is or may be voidable under any section of the Bankruptcy Reform Act of 1978 (11 U.S.C. §§ 101 *et seq.*), as amended.

(x) *Enforceability of Contracts.* Each Contract with respect to each Purchased Receivable of the Originator is effective to create, and has created, a legal, valid and binding obligation of the related Obligor to pay the Outstanding Balance of the Purchased Receivable created thereunder and any accrued interest thereon, enforceable against the Obligor in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(y) *Accounting.* The Originator will treat the transfer of the Purchased Receivables to the Buyer hereunder as an absolute conveyance and true sale on its books and records.

Notwithstanding any other provision of this Agreement, the Receivables Financing Agreement or any other Transaction Document, the representations and warranties contained in this Section shall be continuing, and remain in full force and effect until the Final Payout Date.

SECTION 5. GENERAL COVENANTS .

Section 5.1. Affirmative Covenants of the Originator . Until the date on which the Loans have been indefeasibly paid in full under the Receivables Financing Agreement and this Agreement terminates in accordance with its terms, the Originator hereby covenants as set forth below:

(a) *Existence.* The Originator shall keep in full force and effect its existence and rights as an organization (as set forth on Exhibit A) under the laws of its state of organization as set forth on Exhibit A , and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents and the Sold Assets.

(b) *Financial Reporting.* The Originator will maintain a system of accounting established and administered in accordance with GAAP, and shall furnish to the Buyer, the Servicer, the Administrative Agent and each Group Agent:

(i) *Information.* Such information (including non-financial information) as the Buyer, the Servicer, the Administrative Agent or any Group Agent may from time to time reasonably request.

(ii) *Quarterly Financial Statements of the Originator.* As soon as available and in no event later than 45 days following the end of each of the first three fiscal quarters in each of the Originator's fiscal years, the unaudited consolidated balance sheet and statements of income of Parent and its consolidated Subsidiaries as at the end of such fiscal quarter and the related unaudited consolidated statements of earnings and cash flows for such fiscal quarter and for the elapsed portion of the fiscal year ended with the last day of such fiscal quarter, in each case setting forth comparative figures for the corresponding fiscal quarter in the prior fiscal year, all of which shall be certified by a Financial Officer of the Originator that they fairly present in all material respects, in accordance with GAAP, the financial condition of the Originator and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes.

(iii) *Annual Financial Statements of the Originator.* Within 90 days after the close of each of the Originator's fiscal years, (i) the consolidated balance sheet of the Originator and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of earnings and cash flows for such fiscal year setting forth comparative figures for the preceding fiscal year, all reported on by independent certified public accountants of recognized national standing (without a "going concern" or like qualification or exception) to the effect that such consolidated financial statements present fairly in all material respects, in accordance with GAAP, the financial condition of the Originator and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, and (ii) management's discussion and analysis of the important operational and financial developments during such fiscal year.

(iv) *Other Reports and Filings.* Promptly (but in any event within ten days) after the filing or delivery thereof, copies of all financial information, proxy materials and reports, if any, which the Originator or any of its consolidated Subsidiaries shall publicly file with the SEC or deliver to holders (or any trustee, agent or other representative therefor) of any of its material Debt pursuant to the terms of the documentation governing the same.

(c) *Notices.* The Originator will notify the Buyer, the Servicer, the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than two (2) Business Days after (except with respect to clause (v) below)) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Originator under this Agreement or any other Transaction Document to be true and correct in any material respect when made.

(ii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding against the Originator which could reasonably be expected to have a Material Adverse Effect.

(iii) *Adverse Claim* . (A) Any Person (other than the Buyer or its assigns) shall obtain an Adverse Claim upon any material portion of the Sold Assets or (B) any Obligor shall receive any change in payment instructions with respect to the Purchased Receivable(s) from a Person other than the Originator, the Buyer, the Servicer or the Administrative Agent.

(iv) *Name Changes* . At least thirty (30) days before any change in the Originator's name, jurisdiction of

organization or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof.

(vi) *Change in Accountants or Accounting Policy* . Any change in (i) the external accountants of the Originator or (ii) any material accounting policy of the Originator that is relevant to the transactions contemplated by this Agreement or any other Transaction Document to which it is a party (it being understood that any change to the manner in which the Originator accounts for the Purchased Receivables shall be deemed "material" for such purpose).

(vii) *Material Adverse Change* . Promptly after the occurrence thereof, notice of any Material Adverse Effect in the business, operations, property or financial or other condition of the Originator.

(viii) *Change in Credit and Collection Policy.* At least ten (10) Business Days prior to the effectiveness of any material change in or material amendment to any Credit and Collection Policy of the Originator, a copy of such Credit and Collection Policy then in effect and a notice (A) indicating such change or amendment, and (B) requesting the Buyer's, the Administrative Agent's and Majority Group Agent's consent thereto, which consent shall not be unreasonably withheld, conditioned or delayed.

(d) *Conduct of Business* . The Originator will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic organization in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except where the failure to maintain such authority could not reasonably be expected to have a Material Adverse Effect.

(e) *Compliance with Laws* . The Originator will comply with all Applicable Laws to which it is subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(f) *Furnishing of Information and Inspection of Purchased Receivables* . The Originator will furnish or cause to be furnished to the Buyer, the Servicer, the Administrative Agent and each Group Agent from time to time such information with respect to the Purchased Receivables and the other Sold Assets as the Buyer, the Servicer, the Administrative Agent or any Group Agent may reasonably request. The Originator will, at the Originator's expense, during regular business hours with prior written notice of at least 48 hours (i) permit the Buyer, the Servicer, the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Purchased Receivables or other Sold Assets, (B) visit the offices and properties of the Originator for the purpose of examining such books and records and (C) discuss matters relating to the Purchased Receivables, the other Sold Assets or the Originator's performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Originator having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Originator's expense, upon prior written notice of at least 48 hours from the Buyer, the Servicer, the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to such Purchased Receivables and other Sold Assets; *provided,* that the Originator shall be required to reimburse the Administrative Agent for only one (1) such review pursuant to clause (ii) above in any twelve-month period, unless an Event of Default has occurred and is continuing under the Receivables Financing Agreement.

(g) *Payments on Receivables, Collection Accounts* . The Originator will, at all times, instruct all Obligors to deliver payments on the Purchased Receivables to a Collection Account or a Lock-Box unless otherwise instructed by the Buyer or the Administrative Agent. The Originator will, at all times, maintain such books and records necessary to identify Collections received from time to time on Purchased Receivables and to segregate such Collections from other property of the Originator. If any payments on the Purchased Receivables or other Collections are received by the Originator, it shall hold such payments in trust for the benefit of the Buyer and its assigns and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account. The Originator will not commingle Collections or other funds to which the Buyer or its assigns are entitled, with any other funds.

(h) *Extension or Amendment of Purchased Receivables* . The Originator shall, at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Purchased Receivables, and timely and fully comply in all material respects with the Credit and Collection Policy with regard to each Purchased Receivable and the related Contract.

(i) *Identifying of Records* . The Originator shall identify (or cause the Servicer to identify) its internal records (including the monthly roll forward template and related supporting documents) relating to Purchased Receivables and related Contracts with a legend that indicates that the Purchased Receivables have been sold in accordance with this Agreement.

(j) *Ownership.* The Originator will take all necessary action to establish and maintain, irrevocably in the Buyer (i) legal and equitable title to the Purchased Receivables and the Collections thereof and (ii) all of the Originator's right, title and interest in the other Sold Assets associated with the Purchased Receivables, in each case, free and clear of any Adverse Claims, (including, without limitation, the filing of all financing statements or other similar instruments or documents necessary under the UCC (or any comparable law) of all appropriate jurisdictions

to perfect the Buyer's ownership interest and the Administrative Agent's (for the benefit of the Secured Parties) security interest in the Sold Assets and such other action to perfect, protect or more fully evidence the interest of the Buyer and the Administrative Agent for the benefit of the Secured Parties as the Buyer or the Administrative Agent may reasonably request); *provided* , *however* , that unless and until an Event of Default has occurred and is continuing, the Originator shall not be required to take any actions to establish, maintain or perfect the Buyer's ownership interest in the Related Security other than the filing of financing statements under the UCC of all appropriate jurisdictions if such filing is required under the terms of this Agreement.

(k) *Further Assurances; Change in Name or Jurisdiction of Origination, etc.* (i) The Originator hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents, and to take all further actions, that may be reasonably necessary, or that the Buyer or its assigns may reasonably request, to perfect, protect or more fully evidence the ownership interest or backup security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Buyer or its assigns to exercise and enforce their respective rights and remedies under this Agreement and the other Transaction Documents to which the Originator is a party. Without limiting the foregoing, the Originator hereby authorizes, and will, upon the reasonable request of the Buyer or its assigns, at the Originator's own expense, execute (if necessary) and file such financing statements or continuation statements, or amendments thereto, and such other instruments and documents, that may be reasonably necessary, or that the Buyer or its assigns may reasonably request, to perfect, protect or evidence any of the foregoing.

(ii) The Originator authorizes the Buyer or its assigns to file financing statements, continuation statements and amendments thereto and assignments thereof, relating to the Sold Assets without the signature of the Buyer. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(iii) The Originator shall at all times be organized under the laws of the State of its respective organization as set forth on Exhibit A and shall not take any action to change its jurisdiction of organization.

(iv) The Originator will not change its name, location, identity or corporate structure unless (x) the Originator, at its own expense, shall have taken all action necessary or appropriate to perfect or maintain the perfection of the ownership interest and backup security interest contemplated by this Agreement (including, without limitation, the filing of all financing statements and the taking of such other action as the Buyer or its assigns may reasonably request in connection with such change or relocation) and (y) if reasonably requested by the Buyer or its assigns, the Originator shall cause to be delivered to the Buyer or its assigns, an opinion, in form and substance reasonably satisfactory to the Buyer or its assigns as to such UCC perfection and priority matters as the Buyer or its assigns may request at such time.

(l) *Lenders' Reliance* . The Originator acknowledges that the Administrative Agent and the Lenders are entering into the transactions contemplated by the Receivables Financing Agreement in reliance upon the Buyer's identity as a legal entity that is separate from the Originator and any Affiliates thereof. Therefore, from and after the date of execution and delivery of this Agreement, the Originator will take all reasonable steps including, without limitation, all steps that the Buyer or any assignee of the Buyer may from time to time reasonably request to maintain the Buyer's identity as a separate legal entity and to make it manifest to third parties that the Buyer is an entity with assets and liabilities distinct from those of the Originator and every other Person and is not just a division of the Originator or any of its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to the other covenants set forth herein, the Originator will take such actions as shall be required in order to ensure that the Buyer is in compliance with each of the covenants and agreements set forth in Section 8.03 of the Receivables Financing Agreement.

(m) *Taxes.* The Originator will (i) timely file or cause to be filed all tax returns (federal, state and local) required to be filed by it and (ii) pay, or cause to be paid, all taxes, assessments and other governmental charges, if any, other than (a) taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings, (b) as to which adequate reserves have been provided in accordance with GAAP or (c) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect.

Section 5.2. Negative Covenants of the Originator . Until the date on which the Borrower Obligations have been indefeasibly paid in full under the Receivables Financing Agreement and this Agreement terminates in accordance with its terms, the Originator hereby covenants that:

(a) *Certain Agreements* . Without the prior written consent of the Buyer, the Administrative Agent and the Majority Group Agents, the Originator will not amend, modify, waive, revoke or terminate any Transaction Document to which it is a party.

(b) *Sales, Liens, etc* . Except as otherwise provided herein, the Originator will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any Purchased Receivable or other Sold Assets, or assign any right to receive income in respect thereof, and the Originator will defend the right, title and interest of the Buyer and its assigns in, to and under any of the foregoing property, against all claims of third parties claiming through or under the Originator.

(c) *Change in Credit and Collection Policy* . The Originator will not make any material change in the Credit and Collection Policy without the prior written consent of the Buyer, the Administrative Agent and the Majority Group Agents. Promptly following any change in the Credit and Collection Policy, the Originator will deliver a copy of the updated Credit and Collection Policy to the Buyer, the Administrative

Agent and each Group Agent.

(d) *Fundamental Changes* . The Originator shall not, without the prior written consent of the Buyer, the Administrative Agent and the Majority Group Agents, permit itself to merge or consolidate with or into, except where the Originator is the surviving entity, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person.

(e) *Change in Payment Instructions to Obligors* . The Originator shall not make any change in its instructions to the Obligors regarding payments to be made to the Collection Accounts (or any related Lock-Box) unless it shall have received instructions from the Buyer or the Administrative Agent to make such change in its instructions.

(f) *Anti-Money Laundering/International Trade Law Compliance* . The Originator will not become a Sanctioned Person. Neither the Originator nor any of its Subsidiaries, either in its own right or through any third party, will (a) have any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) do business in or with, or derive any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; (c) engage in any dealings or transactions prohibited by any Anti-Terrorism Law or (d) use the proceeds of any Sold Assets to fund any operations in, finance any investments or activities in, or, make any payments to, a Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law. The Originator shall comply with all Anti-Terrorism Laws applicable to it. The Originator shall promptly notify the Buyer and its assigns in writing upon the occurrence of a Reportable Compliance Event.

(g) *Accounting for Purchase.* The Originator will not, and will not permit any Affiliate to, account for or treat (whether in financial statements or otherwise) the transactions contemplated hereby in any manner other than the sale of the Receivables and the Related Security by the Originator to the Buyer or in any other respect account for or treat the transactions contemplated hereby in any manner other than as a sale of the Receivables and the Related Security by the Originator to the Buyer except to the extent that such transactions are not recognized on account of consolidated financial reporting in accordance with generally accepted accounting principles.

(h) *Negative Covenant of the Originator* . Until the date on which the Loans have been indefeasibly paid in full under the Receivables Financing Agreement and this Agreement terminates in accordance with its terms, the Originator hereby covenants that it will not sell, assign, convey, transfer or otherwise dispose of any of its assets to the Buyer except for sales, assignments, conveyances, transfers or other dispositions of (a) Receivables, Related Security and Collections with respect to Receivables, (b) other Sold Assets and (c) financial assets, securities, bonds, cash, cash equivalents, deposits and other similar financial instruments.

SECTION 6. TERMINATION OF PURCHASES.

Section 6.1. Voluntary Termination . The purchase and sale of Receivables pursuant to this Agreement may be terminated by the Originator or the Buyer, upon at least five Business Days' prior written notice to the other party.

Section *6.2. Automatic Termination* . The purchase and sale of Receivables pursuant to this Agreement shall automatically terminate upon the occurrence of an Insolvency Proceeding with respect to the Originator.

SECTION 7. INDEMNIFICATION.

Section 7.1. Originator's Indemnity . Without limiting any other rights the Buyer and its assigns, officers, managers, agents and employees may have hereunder or under applicable law, the Originator hereby indemnifies and holds harmless the Buyer and its assigns and its officers, managers, agents and employees (each an *"Indemnified Party"*) from and against any and all damages, losses, claims, liabilities, costs and expenses and for all other amounts payable (including reasonable attorneys' fees and court costs actually incurred) (all of the foregoing collectively, the *"Indemnified Losses"*) at any time imposed on or incurred by any Indemnified Party arising out of or otherwise resulting from this Agreement, the transactions contemplated hereby, or any action taken or omitted by any of the Indemnified Parties, excluding only Indemnified Losses (*"Excluded Losses"*) to the extent (a) a final judgment of a court of competent jurisdiction holds that such Indemnified Losses resulted from gross negligence or willful misconduct on the part of the Indemnified Party seeking indemnification; (b) the same includes losses (including diminution in value) in respect of Purchased Receivables that are uncollectible on account of the insolvency, bankruptcy or lack of creditworthiness of the related Obligor or otherwise related to an Obligor's failure to pay in accordance with the related Receivables (other than any loss based on (x) (1) a failure to pay as a result of any failure by the Originator to comply with any terms of the related Contract, (2) the unenforceability of the Receivable or the related Contract in accordance with their respective terms, or (3) the failure of the Originator to comply with applicable law or regulation with respect to the Receivable or the related Contract or (y) a breach of a representation or warranty that any such Receivable was an Eligible Receivable when sold by the Originator hereunder (if so represented at such time), each of which shall be an Indemnified Loss hereunder); or (c) such Indemnified Losses include taxes imposed by the United States, the Indemnified Party's jurisdiction of organization (or in the case of an individual, his or her jurisdiction of primary residence) or any other jurisdiction in which such Indemnified Party has established a taxable nexus other than in connection with the transactions contemplated hereby, on or measured by the overall net income or gross receipts of such Indemnified Party to the extent that the computation of such taxes is consistent with the characterization for tax purposes of the acquisition by the Buyer of an ownership interest in the Sold Assets. Without limiting the foregoing indemnification, but subject to the limitations set forth in clauses (a), (b) and (c) of the previous sentence, the Originator shall indemnify each Indemnified Party for Indemnified Losses arising out of or resulting

from:

(i) any representation or warranty made by or on behalf of the Originator (or any officers of the Originator) under or in connection with this Agreement, any Transaction Document to which the Originator is a party or any other information or report delivered by the Originator (in its capacity as the originator of Purchased Receivables) pursuant to the Transaction Documents, which shall have been false or incorrect in any material respect when made or deemed made;

(ii) the failure by the Originator to comply with any applicable law, rule or regulation with respect to any Receivable or Contract related thereto, or the nonconformity of any Receivable or any Contract related thereto with any such applicable law, rule or regulation or any failure of the Originator to keep or perform any of its obligations, express or implied, with respect to any Contract;

(iii) the failure of the Originator to vest and maintain vested in the Buyer, a perfected ownership or security interest, as applicable, in the Purchased Receivables and the other property conveyed pursuant hereto, free and clear of any Adverse Claim;

(iv) any commingling of funds to which the Buyer is entitled hereunder with any other funds;

(v) any dispute, claim, offset or defense (other than discharge in bankruptcy of the Obligor or financial inability of the Obligor to pay) of the Obligor to the payment of any Receivable (including, without limitation, a defense based on such Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and by general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law), or any other claim resulting from the service related to such Receivable or the furnishing or failure to furnish such services or other similar claim or defense not arising from the financial inability of any Obligor to pay undisputed indebtedness;

(vi) any failure of the Originator to perform its duties or obligations in accordance with the provisions of this Agreement;

(vii) any environmental liability claim, products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort, arising out of or in connection with any Receivable or any Contract or any other suit, claim or action of whatever sort relating to any of the Originator's obligations under the Transaction Documents.

(viii) any investigation, litigation or proceeding arising from this Agreement or any other Transaction Document to which the Originator is a party, the transactions contemplated hereby any investigation, litigation or proceeding relating to the Originator in which the Buyer becomes involved as a result of any of the transactions contemplated hereby (other than any litigation or proceeding in which an Indemnified Party is a plaintiff or complaining party and the Originator is a defendant and such Indemnified Party shall not prevail in such litigation or proceeding);

(ix) any inability to litigate any claim against any Obligor in respect of any Receivable as a result of such Obligor being immune from civil and commercial law and suit on the grounds of sovereignty or otherwise from any legal action, suit or proceeding;

(x) any Insolvency Proceeding with respect to the Originator;

(xi) any attempt by any Person (other than an Indemnified Party) to void the transfers contemplated hereby under statutory provisions or common law or equitable action (except as created by the Transaction Documents);

(xii) any action or omission by the Originator that reduces or impairs the rights of the Buyer with respect to any Receivables or Related Security or the value of any Receivables or Related Security; or

(xiii) any provision in any Contract that either (i) permits or provides for any reduction in the Outstanding Balance of the Receivable created under such Contract and any accrued interest thereon or (ii) could otherwise materially hinder the ability to receive Collections with respect to such Receivable.

Section 7.2. Indemnification Due to Failure to Consummate Purchase . The Originator will indemnify the Buyer on demand and hold it harmless against all costs (including, without limitation, breakage costs) and expenses incurred by the Buyer resulting from any failure by the Originator to consummate a purchase as contemplated hereunder after the Buyer has provided a Loan Request under the terms of the Receivables Financing Agreement in order to fund such purchase.

Section 7.3. Other Costs. If the Buyer becomes obligated to compensate any Lender under the Receivables Financing Agreement or any other Transaction Document for any costs or indemnities pursuant to any provision of the Receivables Financing Agreement or any other Transaction Document as a result of any action or inaction of the Originator, then the Originator shall, on demand, reimburse the Buyer for the amount of any such compensation. Anything herein to the contrary notwithstanding, in no event shall the Originator be required to reimburse the Buyer for the costs of collecting on Purchased Receivables.

SECTION 8. MISCELLANEOUS .

Section 8.1. Amendments, Waivers, etc . No amendment of this Agreement or waiver of any provision hereof or consent to any departure by either party therefrom shall be effective without the written consent of the party that is sought to be bound. Any such waiver or consent shall be effective only in the specific instance given. No failure or delay on the part of either party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law. The Originator agrees that the Administrative Agent and the Lenders may rely upon the terms of this Agreement, and that the terms of this Agreement may not be amended, nor any material waiver of those terms be granted, without the consent of the Administrative Agent to the extent required under the Transaction Documents; *provided* that the Originator and the Buyer may agree to an adjustment of the purchase price for any Receivable without the consent of the Administrative Agent provided that the purchase price paid for any Receivable shall be an amount not less than adequate consideration that represents fair value for such Receivable.

Section 8.2 Protection of Ownership Interests of the Buyer . (a) The Originator agrees that from time to time, at its expense, it will promptly execute and deliver all instruments and documents, and take all actions, that may be necessary or desirable, or that the Buyer or the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the interest of the Buyer (or the Administrative Agent, as its assignee) hereunder, or to enable the Buyer (or the Administrative Agent, as its assignee) to exercise and enforce its rights and remedies hereunder. At any time after the occurrence of an Event of Default, the Administrative Agent may, at the Originator's sole cost and expense, direct the Originator to notify the Obligors of the ownership interest of the Buyer and the security interest of the Administrative Agent, on behalf of the Lenders, under the Receivables Financing Agreement.

(b) If the Originator fails to perform any of its obligations hereunder, the Buyer and the Administrative Agent may (but shall not be required to) perform, or cause performance of, such obligations, and the Buyer's or the Administrative Agent's (as applicable) costs and expenses incurred in connection therewith shall be payable by the Originator as provided in Section 8.6. The Originator irrevocably authorizes the Buyer and the Administrative Agent at any time and from time to time in their sole discretion, and appoints each of the Buyer and the Administrative Agent as its attorney-in-fact, to act on behalf of the Originator (i) to authorize and/or execute on behalf of the Originator as debtor and to file financing statements necessary or desirable in the Buyer's or the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the interest of the Buyer in the Purchased Receivables and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Purchased Receivables as a financing statement in such jurisdictions and in such offices as the Buyer or the Administrative Agent in their sole discretion deem necessary or desirable to perfect and to maintain the perfection and priority of the Buyer's interests in the Purchased Receivables. This appointment is coupled with an interest and is irrevocable.

Section 8.3. Assignment of Agreement . The Originator hereby acknowledges that on the date hereof, the Buyer has collaterally assigned for security purposes all of its right, title and interest in, to and under this Agreement to the Administrative Agent for the benefit of the Lenders pursuant to the Receivables Financing Agreement and that the Administrative Agent and the Lenders are third party beneficiaries hereof. The Originator hereby further acknowledges that after the occurrence and during the continuation of an Event of Default (as defined in the Receivables Financing Agreement) all provisions of this Agreement shall inure to the benefit of the Administrative Agent and the Lenders, including the enforcement of any provision hereof to the extent set forth in the Receivables Financing Agreement, but that neither the Administrative Agent nor any Lender shall have any obligations or duties under this Agreement. The Originator hereby further acknowledges that the execution and performance of this Agreement are conditions precedent for the Administrative Agent and the Lenders to enter into the Receivables Financing Agreement and that the agreement of the Administrative Agent and Lender to enter into the Receivables Financing Agreement will directly or indirectly benefit the Originator and constitutes good and valuable consideration for the rights and remedies of the Administrative Agent and each Lender with respect hereto.

Section 8.4. Limitation of Liability . Except with respect to any claim arising out of the willful misconduct or gross negligence of the Buyer or the Administrative Agent, no claim may be made by the Originator or any other Person against the Buyer or the Administrative Agent or any of their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission or event occurring in connection therewith; and the Originator hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

Section 8.5. Binding Effect; Assignment . This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns and shall also, to the extent provided herein, inure to the benefit of the parties to the Receivables Financing Agreement. The Originator acknowledges that the Buyer's rights under this Agreement are being assigned to the Administrative Agent under the Receivables Financing Agreement and consents to such assignment and to the exercise of those rights directly by the Administrative Agent, to the extent permitted by the Receivables Financing Agreement.

Section 8.6. Survival . The rights and remedies with respect to any breach of any representation and warranty made by the Originator or the Buyer pursuant to Section 4 and the indemnification provisions of Section 7 shall survive any termination of this Agreement.

Section 8.7. Costs, Expenses and Taxes . In addition to the obligations of the Originator under Section 7 , each party hereto agrees to pay on demand all costs and expenses incurred by the other party and its assigns (other than Excluded Losses) in connection with the enforcement of, or any actual or claimed breach of, this Agreement, including the reasonable fees and expenses of counsel to any of such Persons incurred in connection with

any of the foregoing or in advising such Persons as to their respective rights and remedies under this Agreement in connection with any of the foregoing. The Originator also agrees to pay on demand all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement.

Section 8.8. Execution in Counterparts; Integration . This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement. To the fullest extent permitted by applicable law, delivery of an executed counterpart of a signature page of this Agreement by telefacsimile or electronic image scan transmission (such as a "pdf" file) will be effective to the same extent as delivery of a manually executed original counterpart of this Agreement. Any party who delivers an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. This Agreement and each other Transaction Document contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings.

Section 8.9. Severability; Section References . Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Unless otherwise expressly indicated, all references herein to *"Article," "Section,"* or *"Exhibit"* shall mean articles and sections of, and schedules and exhibits to, this Agreement.

Section 8.10 . GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK (WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH SHALL APPLY HERETO) EXCEPT TO THE EXTENT THAT THE PERFECTION OF THE BUYER'S OWNERSHIP INTEREST IN THE RECEIVABLES, RELATED SECURITY AND OTHER ASSETS CONVEYED HEREUNDER OR REMEDIES IN RESPECT THEREOF ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

Section 8.11 Consent to Jurisdiction. THE ORIGINATOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR STATE COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY DOCUMENT EXECUTED BY THE ORIGINATOR PURSUANT TO THIS AGREEMENT, AND THE ORIGINATOR 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 BUYER OR THE ADMINISTRATIVE AGENT (AS ITS ULTIMATE ASSIGNEE) TO BRING PROCEEDINGS AGAINST THE ORIGINATOR IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE ORIGINATOR AGAINST THE BUYER OR ITS ASSIGNS INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR ANY DOCUMENT EXECUTED BY THE ORIGINATOR PURSUANT TO THIS AGREEMENT SHALL BE BROUGHT ONLY IN A COURT IN THE BOROUGH OF MANHATTAN, NEW YORK.

Section 8.12 Waiver of Jury Trial . EACH PARTY HERETO HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT, ANY DOCUMENT EXECUTED BY THE ORIGINATOR PURSUANT TO THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER.

Section 8.13. No Proceedings . The Originator agrees, for the benefit of the parties to the Receivables Financing Agreement, that it will not institute against the Buyer, or join any other Person in instituting against the Buyer, any Insolvency Proceeding until one year and one day after no investment, loan or commitment is outstanding under the Receivables Financing Agreement. In addition, all amounts payable by the Buyer to the Originator pursuant to this Agreement shall be payable solely from funds available for that purpose (after Buyer has satisfied all obligations then due and owing under the Receivables Financing Agreement).

Section 8.14. Notices. Unless otherwise specified, all notices and other communications hereunder shall be in writing (including by telecopier or other facsimile communication), given to the appropriate Person at its address or telecopy number set forth at the following addresses:

If to Buyer: Zebra Technologies RSC, LLC
Address:
3 Overlook Point
Lincolnshire, IL 60069
Attention: President
Telephone: (847) 634-6700
Facsimile: (847) 913-8766

with a copy to:
Zebra Technologies International, LLC
3 Overlook Point
Lincolnshire, IL 60069
Attn: President
Telephone: (847) 634-6700
Facsimile: (847) 913-8766

and with a copy to:

Zebra Technologies Corporation
3 Overlook Point
Lincolnshire, IL 60609
Attn: Senior Vice President and General Counsel
Telephone: (847) 634-6700
Facsimile: (847) 913-8766

If to the Originator: Zebra Technologies International, LLC
Address:
3 Overlook Point
Lincolnshire, IL 60069
Attn: President
Telephone: (847) 634-6700
Facsimile: (847) 913-8766

with a copy to:

Zebra Technologies Corporation
3 Overlook Point
Lincolnshire, IL 60609
Attn: Senior Vice President and General Counsel
Telephone: (847) 634-6700
Facsimile: (847) 913-8766

Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), notices and communications sent by email shall be effective when confirmed by electronic receipt or otherwise acknowledged, and notices and communications sent by other means shall be effective when received.

Section 8.15. Entire Agreement . This Agreement constitutes the entire understanding of the parties thereto concerning the subject matter thereof. Any previous or contemporaneous agreements, whether written or oral, concerning such matters are superseded thereby.

Section 8.16. Power of Attorney . The Originator hereby irrevocably designates and appoints the Buyer (including, without limitation, its successors and assigns) as the Originator's true and lawful attorney-in-fact and authorizes the Buyer (including its successors and assigns), in the Originator's or the Administrative Agent's name, to: (a) at any time an Event of Default exists or has occurred and is continuing enforce all rights and remedies of the Originator with respect to the Purchased Receivables purchased hereunder and the Related Security and do all other acts and things which are necessary, in the Buyer's (including its successors and assigns) determination, to fulfill the Originator's obligations under this Agreement and the other Transaction Documents to which the Originator is a party and (b) at any time to (i) take control in any manner of any item of payment in respect of Purchased Receivables or any Related Security or otherwise received in or for deposit in a Lock-Box, Collection Account or otherwise received by the Administrative Agent or any other Secured Party, (ii) have access to any Lock-Box or Collection Account into which remittances from Obligors in respect of Purchased Receivables or other proceeds of the Purchased Receivables and the Related Security are sent or received, (iii) endorse the Originator's name upon any items of payment in respect of Purchased Receivables or Related Security or otherwise received by the Buyer, the Administrative Agent and any Secured Party (as applicable), (iv) endorse the Originator's name upon any chattel paper, document, instrument, Invoice, or similar document or agreement relating to any Purchased Receivable or any goods pertaining thereto or any Related Security including any warehouse or other receipts, or bills of lading and other negotiable or non-negotiable documents, and (v) sign the Originator's name on any verification of Purchased Receivables and notices thereof to account debtors or any secondary obligors or other obligors in respect thereof. The Originator hereby releases the Buyer (including its successors and assigns) and its respective officers, employees and designees from any liabilities arising from any act or acts under this power of attorney and in furtherance thereof, whether of omission or commission, except as a result of the Buyer's (or its successors and assigns), own gross negligence or willful misconduct as determined pursuant to a final non-appealable order of a court of competent jurisdiction.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ZEBRA TECHNOLOGIES INTERNATIONAL, LLC,
as Originator

By /s/ Michael Cho

Name: Michael Cho

Title: Manager

ZEBRA TECHNOLOGIES RSC, LLC, as Buyer

By/s/ Michael Kim

Name: Michael Kim

Title: Director

EXHIBIT A

**JURISDICTION OF ORGANIZATION OF THE ORIGINATOR;
PLACES OF BUSINESS OF THE ORIGINATOR; LOCATIONS OF RECORDS;
FEDERAL EMPLOYER IDENTIFICATION NUMBER**

Zebra Technologies International, LLC

Jurisdiction of Organization: Illinois

File Number (if any): 00669482

Principal Place(s) of Business: 3 Overlook Point, Lincolnshire, IL 60069

Location(s) of Records: 3 Overlook Point, Lincolnshire, IL 60069

Federal Employer Identification Number: 02-0545884

Legal, Trade and Assumed Names: Same as above. (No other trade or d/b/a names.)

EXHIBIT B

NAMES OF COLLECTION ACCOUNT BANKS AND COLLECTION ACCOUNTS

Bank	Lockbox	Account and ABA Numbers
JPMorgan Chase Bank, N.A.	N/A	Account Number: 5330363322

		Wire ABA#: 021000021 ACH ABA#: 071000013

Exhibit 10.37

RECEIVABLES FINANCING AGREEMENT

Dated as of December 1, 2017

by and among

ZEBRA TECHNOLOGIES RSC, LLC,
as Borrower,

THE PERSONS FROM TIME TO TIME PARTY HERETO,
as Lenders and as Group Agents,

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

ZEBRA TECHNOLOGIES INTERNATIONAL, LLC,
as initial Servicer

and

PNC CAPITAL MARKETS LLC,
as Structuring Agent

TABLE OF CONTENTS

SECTION HEADING PAGE

ARTICLE I DEFINITIONS 1

Section 1.01. Certain Defined Terms 1
Section 1.02. Other Interpretative Matters 32

ARTICLE II TERMS OF THE LOANS 33

Section 2.01. Loan Facility 33
Section 2.02. Making Loans; Repayment of Loans 33
Section 2.03. Interest and Fees 34
Section 2.04. Records of Loans 35
Section 2.05. Defaulting Lenders 35

ARTICLE III SECURITY INTEREST 36

Section 3.01. Security Interest 36

ARTICLE IV SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS 37

Section 4.01. Settlement Procedures 37
Section 4.02. Payments and Computations, Etc 39

ARTICLE V INCREASED COSTS; FUNDING LOSSES; TAXES; AND ILLEGALITY 40

Section 5.01. Increased Costs 40
Section 5.02. Funding Losses 42
Section 5.03. Taxes 42
Section 5.04. Inability to Determine Euro-Rate; Change in Legality 46
Section 5.05 Mitigation Obligations; Replacement of Lenders 47
Section 5.06. Certain Rules Relating to the Payment of Additional Amounts 48

ARTICLE VI CONDITIONS TO EFFECTIVENESS AND CREDIT EXTENSIONS 49

Section 6.01. Conditions Precedent to Effectiveness and the Initial Credit Extension 49
Section 6.02. Conditions Precedent to All Credit Extensions 49
Section 6.03. Conditions Precedent to All Reinvestments 50

ARTICLE VII REPRESENTATIONS AND WARRANTIES 50

Section 7.01. Representations and Warranties of the Borrower 50
Section 7.02. Representations and Warranties of the Servicer 56

ARTICLE VIII COVENANTS 60

Section 8.01. Covenants of the Borrower 60
Section 8.02. Covenants of the Servicer 69
Section 8.03. Separate Existence of the Borrower 74
Section 8.04. Covenant of Zebra 79

ARTICLE IX ADMINISTRATION AND COLLECTION OF RECEIVABLES 79

Section 9.01. Appointment of the Servicer 79
Section 9.02. Duties of the Servicer 80
Section 9.03. Collection Account Arrangements 81
Section 9.04. Enforcement Rights 81
Section 9.05. Responsibilities of the Borrower 83
Section 9.06. Servicing Fee 83

ARTICLE X EVENTS OF DEFAULT 83

Section 10.01. Events of Default 83

ARTICLE XI THE ADMINISTRATIVE AGENT 87

Section 11.01. Authorization and Action 87
Section 11.02. Administrative Agent's Reliance, Etc 87
Section 11.03. Administrative Agent and Affiliates 88
Section 11.04. Indemnification of Administrative Agent 88
Section 11.05. Delegation of Duties 88
Section 11.06. Action or Inaction by Administrative Agent 88
Section 11.07. Notice of Events of Default; Action by Administrative Agent 89
Section 11.08. Non-Reliance on Administrative Agent and Other Parties 89
Section 11.09. Successor Administrative Agent 90
Section 11.10. Structuring Agent 90

ARTICLE XII THE GROUP AGENTS 90

Section 12.01. Authorization and Action 90
Section 12.02. Group Agent's Reliance, Etc 91
Section 12.03. Group Agent and Affiliates 91
Section 12.04. Indemnification of Group Agents 91
Section 12.05. Delegation of Duties 91

Section 12.06. Notice of Events of Default 92
Section 12.07. Non-Reliance on Group Agent and Other Parties 92
Section 12.08. Successor Group Agent 92
Section 12.09. Reliance on Group Agent 93

ARTICLE XIII INDEMNIFICATION 93

Section 13.01. Indemnities by the Borrower 93
Section 13.02. Indemnification by the Servicer 95

ARTICLE XIV MISCELLANEOUS 97

Section 14.01. Amendments, Etc 97
Section 14.02. Notices, Etc 98
Section 14.03. Assignability; Addition of Lenders 98
Section 14.04. Costs and Expenses 101
Section 14.05. No Proceedings; Limitation on Payments 102
Section 14.06. Confidentiality 103
Section 14.07. GOVERNING LAW 104
Section 14.08. Execution in Counterparts 104
Section 14.09. Integration; Binding Effect; Survival of Termination 105
Section 14.10. Consent to Jurisdiction 105
Section 14.11. Waiver of Jury Trial 105
Section 14.12. Ratable Payments 105
Section 14.13. Limitation of Liability 105
Section 14.14. Intent of the Parties 106
Section 14.15. USA Patriot Act 106
Section 14.16. Right of Setoff 107
Section 14.17. Severability 107
Section 14.18. Mutual Negotiations 107
Section 14.19. Captions and Cross References 107

EXHIBITS

EXHIBIT A – Form of Loan Request
EXHIBIT B – Form of Assignment and Acceptance Agreement
EXHIBIT C – Form of Assumption Agreement
EXHIBIT D – Reduction Notice
EXHIBIT E – Credit and Collection Policy
EXHIBIT F – Form of Information Package
EXHIBIT G – Form of Compliance Certificate
EXHIBIT H – Closing Memorandum

SCHEDULES

SCHEDULE I – Commitments
SCHEDULE II – Lock-Boxes, Collection Accounts and Collection Account Banks
SCHEDULE III – Notice Addresses
SCHEDULE IV – Special Obligors

This RECEIVABLES FINANCING AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this " Agreement ") is entered into as of December 1, 2017 by and among the following parties:

(i) ZEBRA TECHNOLOGIES RSC, LLC, a Delaware limited liability company, as Borrower (together with its successors and assigns, the " Borrower ");

(ii) the Persons from time to time party hereto as Lenders and as Group Agents;

(iii) PNC BANK, NATIONAL ASSOCIATION (" PNC "), as Administrative Agent;

(iv) ZEBRA TECHNOLOGIES INTERNATIONAL, LLC, an Illinois limited liability company (" Zebra "), as initial Servicer (in such capacity, together with its successors and assigns in such capacity, the " Servicer "); and

(v) PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent.

PRELIMINARY STATEMENTS

The Borrower has acquired, and will acquire from time to time, Receivables from the Originators (as defined herein) pursuant to the Receivables Purchase Agreement (as defined herein). The Borrower has requested that the Lenders make Loans from time to time to the Borrower, on the terms, and subject to the conditions set forth herein, secured by, among other things, the Receivables (as defined herein).

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

ARTICLE I

DEFINITIONS

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

" Account Control Agreement " means each agreement, in form and substance reasonably satisfactory to the Administrative Agent, among the Borrower, the Servicer (if applicable), the Administrative Agent and a Collection Account Bank, governing the terms of the related Collection Accounts that provides the Administrative Agent with control within the meaning of the UCC over the deposit accounts subject to such agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time.

" Adjusted LIBOR " means with respect to any Interest Period, the interest rate per annum determined by the Administrative Agent by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1% per annum) (i) the rate of interest determined by the Administrative Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error) to be the rate per annum for deposits in U.S. dollars as reported by Bloomberg Finance L.P. and shown on US0001M Screen as the composite offered rate for London interbank deposits for such period (or on any successor or substitute page of such service providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market) at or about 11:00 a.m. (New York time) on the Business Day which is two (2) Business Days prior to the first day of such Interest Period for an amount comparable to the Portion of Capital to be funded at the Adjusted LIBOR during such Interest Period, by (ii) a number equal to 1.00 minus the Euro-Rate Reserve Percentage. The calculation of Adjusted LIBOR may also be expressed by the following formula:

$$\text{Adjusted LIBOR} = \frac{\text{Composite of London interbank offered rates shown on Bloomberg Finance L.P. Screen US0001M or appropriate successor}}{\text{1.00 - Euro-Rate Reserve Percentage}}$$

Adjusted LIBOR shall be adjusted on the effective date of any change in the Euro-Rate Reserve Percentage as of such effective date. The Administrative Agent shall give prompt notice to the Borrower of Adjusted LIBOR as determined or adjusted in accordance herewith (which determination shall be conclusive absent manifest error). Notwithstanding the foregoing, if Adjusted LIBOR as determined herein would be less than zero (0.00), such rate shall be deemed to be zero percent (0.00%) for purposes of this Agreement.

" Adjusted Net Receivables Pool Balance " means, at any time of determination, the amount equal to (a) the Net Receivables Pool Balance, *minus* (b) the Offset Reserve Amount, *minus* (c) the Contractual Dilution Accrual, *minus* (d) the Canadian Dollar Volatility Reserve.

" Administrative Agent " means PNC, in its capacity as contractual representative for the Credit Parties, and any successor thereto in such capacity appointed pursuant to Article XI .

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

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

" Affected Person " means each Credit Party, each Program Support Provider and each Liquidity Agent.

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

" Aggregate Capital " means, at any time of determination, the aggregate outstanding Capital of all Lenders at such time.

" Aggregate Interest " means, at any time of determination, the aggregate accrued and unpaid Interest on the Loans of all Lenders at such time.

" Agreement " has the meaning set forth in the preamble to this Agreement.

" Anti-Terrorism Laws " means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) and any other Applicable Law relating to terrorism financing, trade sanctions programs and embargoes, import/export licensing, money laundering or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such Applicable Laws, all as amended, supplemented or replaced from time to time.

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

" Assignment and Acceptance Agreement " means an assignment and acceptance agreement entered into by a Committed Lender, an Eligible Assignee, such Committed Lender's Group Agent and the Administrative Agent, and, if required, the Borrower, pursuant to which such Eligible Assignee may become a party to this Agreement, in substantially the form of Exhibit B hereto.

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

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

" Bank Rate " for any Portion of Capital funded by any Lender on any day, means an interest rate per annum equal to (a) the applicable Euro-Rate with respect to such Lender for such Interest Period (or portion thereof) (provided that for such purpose, if such Euro-Rate is being determined by reference to LMIR for such Lender, the Euro-Rate for such day shall be LMIR in effect on such day); or (b) if the Base Rate is applicable to such Lender pursuant to Section 5.04 , the Base Rate for such Lender on such day; *provided, however,* that the "Bank Rate" for any day while an Event of Default has occurred and is continuing shall be an interest rate per annum equal to the sum of 2.00% per annum plus the greater of (i) the Base Rate for such Lender on such day and (ii) LMIR for such Lender on such day.

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

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

(a) the rate of interest in effect for such day as publicly announced from time to time by the applicable Group Agent or its Affiliate as its "reference rate" or "prime rate", as applicable. Such "reference rate" or "prime rate" is set by the applicable Group Agent or its Affiliate based upon various factors, including such Person's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate, and is not necessarily the lowest rate charged to any customer; and

(b) 0.50% per annum above the Federal Funds Rate in effect on such day.

" Borrower " has the meaning specified in the preamble to this Agreement.

" Borrower Indemnified Amounts " has the meaning set forth in Section 13.01(a) .

" Borrower Indemnified Party " has the meaning set forth in Section 13.01(a) .

" Borrower Obligations " means all present and future indebtedness, reimbursement obligations, and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Borrower to any Credit Party, Borrower

Indemnified Party and/or any Affected Person, arising under or in connection with this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, and shall include, without limitation, all Capital and Interest on the Loans, all Fees and all other amounts due or to become due under the Transaction Documents (whether in respect of fees, costs, expenses, indemnifications or otherwise), including, without limitation, interest, fees and other obligations that accrue after the commencement of any Insolvency Proceeding with respect to the Borrower.

" Borrower's Net Worth " means, at any time of determination, an amount equal to (i) the Outstanding Balance of all Pool Receivables at such time, *minus* (ii) the sum of (A) the Aggregate Capital at such time, *plus* (B) the Aggregate Interest at such time, *plus* (C) the aggregate accrued and unpaid Fees at such time, *plus* (D) without duplication, the aggregate accrued and unpaid other Borrower Obligations at such time.

" Borrowing Base " means, at any time of determination, the amount equal to the lesser of (a) the Facility Limit and (b) (i) the Adjusted Net Receivables Pool Balance at such time, *minus* (ii) the Total Reserves at such time.

" Borrowing Base Deficit " means, at any time of determination, the amount, if any, by which (a) the Aggregate Capital at such time, exceeds the Borrowing Base at such time.

" Breakage Fee " means (i) for any Interest Period for which Interest is computed by reference to the CP Rate or Adjusted LIBOR and a reduction of Capital is made for any reason on any day other than a Settlement Date or pursuant to Section 2.02(d) or (ii) to the extent that the Borrower shall for any reason, fail to borrow on the date specified by the Borrower in connection with any request for funding pursuant to Article II of this Agreement, the amount, if any, by which (A) the additional Interest (calculated without taking into account any Breakage Fee or any shortened duration of such Interest Period pursuant to the definition thereof) which would have accrued during such Interest Period (or, in the case of clause (i) above, until the maturity of the underlying Note) on the reductions of Capital relating to such Interest Period had such reductions not been made (or, in the case of clause (ii) above, on the amounts so failed to be borrowed or accepted in connection with any such request for funding by the Borrower), exceeds (B) the income, if any, received by the applicable Lender from the investment of the proceeds of such reductions of Capital (or such amounts failed to be borrowed by the Borrower). A certificate as to the amount of any Breakage Fee (including the computation of such amount) shall be submitted by the affected Lender (or applicable Group Agent on its behalf) to the Borrower and shall be conclusive and binding for all purposes, absent manifest error.

" Business Day " means any day (other than a Saturday or Sunday) on which: (a) banks are not authorized or required to close in Pittsburgh, Pennsylvania, Chicago, Illinois, or New York City, New York and (b) if this definition of "Business Day" is utilized in connection with LMIR or Adjusted LIBOR, dealings are carried out in the London interbank market.

" Canadian Dollar AR Volatility Reserve " means, at any time of determination, the product of (a) the Outstanding Balance of all Eligible Receivables denominated in Canadian Dollars, *multiplied by* (b) the Canadian Dollar VAR Percentage.

" Canadian Dollar VAR Percentage " means the value at risk percentage determined by the Administrative Agent in its commercially reasonable judgment from time to time with respect to Canadian Dollars, which on the Closing Date shall be 12.00%.

" Canadian Dollars " and " C$ " each mean the lawful currency of Canada.

" Capital " means, with respect to any Lender, the aggregate amounts paid to, or on behalf of, the Borrower in connection with all Loans made by such Lender pursuant to Article II , as reduced from time to time by Collections distributed and applied on account of such Capital pursuant to Section 4.01 ; *provided,* that if such Capital shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

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

" Change in Control " means; means the occurrence of any of the following events: (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), but excluding any employee benefit plan of the Performance Guarantor or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any employee benefit plan of the Performance Guarantor shall have acquired beneficial ownership of thirty-five percent (35.0%) or more of the outstanding voting securities having ordinary voting power for the election of directors of the Performance Guarantor; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Performance Guarantor by Persons who were not (i) directors of the Performance Guarantor on the date of this Agreement, (ii) nominated or appointed by the board of directors of the Performance Guarantor or (iii) approved as director candidates prior to their election by the board of directors of the Performance Guarantor; (c) a "Change of Control" as defined in the Credit Agreement; (d) the Performance Guarantor ceases to own, directly (or if the Pending Transaction (as defined below) is completed prior to December 31, 2017, indirectly), 100% of the issued and outstanding Capital Stock of Zebra, or (e) Zebra ceases to own, directly, 100% of the issued and outstanding Capital Stock of the Borrower free and clear of all Adverse Claims. Notwithstanding the foregoing for the avoidance of doubt, it is acknowledged and agreed that the consummation of a pending transaction that will result in the Performance Guarantor no longer owning directly 100% of the outstanding Capital Stock of Zebra, but instead owning indirectly (through one or more of its wholly-owned Subsidiaries) 100% of the outstanding Capital Stock of Zebra (the " Pending Transaction ") will not constitute a "Change of Control"; *provided* that the Pending Transaction shall occur on or

prior to December 31, 2017.

" Change in Law " means the occurrence, after the Closing Date (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (w) the final rule titled Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital; Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues, adopted by the United States bank regulatory agencies on December 15, 2009, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to the agreements reached by the Basel Committee on Banking Supervision in "Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems" (as amended, supplemented or otherwise modified or replaced from time to time), shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

" Closing Date " means December 1, 2017.

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

" Collateral " has the meaning set forth in Section 3.01(a) .

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

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

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

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

" Committed Lenders " means PNC and each other Person that is or becomes a party to this Agreement in the capacity of a "Committed Lender".

" Concentration Percentage " means, at any time of determination, (a) except as provided in clause (b) below, (i) for any Group A Obligor, 20.00%, (ii) for any Group B Obligor, 17.50%, (iii) for any Group C Obligor, 12.50%, and (iv) for any Group D Obligor, 6.25% and (b) for each of the Obligors listed in the chart on Schedule IV hereto (each, a " Special Obligor "), the percentage specified in the chart on Schedule IV for such Special Obligor (the applicable " Special Concentration Limit "); *provided, however,* that any Lender may, upon not less than ten (10) days' prior written notice to the Borrower and the Administrative Agent, cancel or reduce the Special Concentration Limit with respect to any or all Special Obligors, in which case the Concentration Percentage for such Special Obligor(s) shall be determined pursuant to clause (a) above. In the event that any other Obligor is or becomes an Affiliate of a Special Obligor, the Special Concentration Limit shall apply to both such Obligor and such Special Obligor and shall be calculated as if such Obligor and such Special Obligor were a single Obligor.

" Concentration Reserve Percentage " means, at any time of determination, the largest of: (a) the sum of the five (5) largest Obligor Percentages of the Group D Obligors, (b) the sum of the three (3) largest Obligor Percentages of the Group C Obligors, (c) the sum of the two (2) largest Obligor Percentages of the Group B Obligors, and (d) the largest Obligor Percentage of the Group A Obligors.

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

" Conduit Trustee " means with respect to any Conduit Lender or CP Issuer a security trustee or collateral agent for the benefit of the holders of the commercial paper of such Conduit Lender or CP Issuer appointed pursuant to such entity's program documents.

" Connection Income Taxes " means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are

franchise Taxes or branch profits Taxes.

" Contract " means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

" Contractual Dilution Accrual " means the aggregate amount of dilution, Deemed Collections or other similar adjustments arising out of volume rebates, terms discounts, indirect rebates, direct rebates (net of any direct rebate recovery) and key promotional programs which are customary for the Originators and specified in the related Contract or applicable marketing program related to the applicable Receivable and Obligor thereof that are expected by the Servicer to be made or otherwise incurred with respect to the then outstanding Pool Receivables as such expected dilution, Deemed Collections and similar adjustments are reflected on the books and records of each Originator and reserved for by each Originator, as determined in consultation with the external accountants of Zebra and in accordance with the customary procedures established by the Originators and such accountants.

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

" Covered Entity " shall mean (a) each of the Borrower, the Servicer, each Originator and each of the Servicer's Subsidiaries and (b) each Person that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person shall mean the direct or indirect (x) ownership of, or power to vote, 25% or more of the issued and outstanding equity interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person, or (y) power to direct or cause the direction of the management and policies of such Person whether by ownership of equity interests, contract or otherwise.

" CP Issuer " means with respect to any Conduit Lender, any other Person which, in the ordinary course of its business, issues commercial paper notes the proceeds of which commercial paper notes are made available to such Conduit Lender to fund and maintain its Loans from time to time hereunder.

" CP Rate " means, for any Conduit Lender and for any Interest Period (or portion thereof) for any Portion of Capital of such Conduit Lender the per annum rate equivalent to the weighted average cost (as determined by the applicable Group Agent and which shall include commissions of placement agents and dealers, incremental carrying costs incurred with respect to Notes of such Person maturing on dates other than those on which corresponding funds are received by such Conduit Lender, and any other costs associated with the issuance of Notes) of or related to the issuance of Notes that are allocated, in whole or in part, by the applicable Conduit Lender to fund or maintain such Portion of Capital (and which may be also allocated in part to the funding of other assets of such Conduit Lender); *provided, however,* that if any component of such rate is a discount rate, in calculating the "CP Rate" for such Portion of Capital for such Interest Period (or portion thereof), the applicable Group Agent shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum; *provided, further,* that notwithstanding anything in this Agreement or the other Transaction Documents to the contrary, the Borrower agrees that any amounts payable to Conduit Lenders in respect of Interest for any Interest Period (or portion thereof) with respect to any Portion of Capital funded by such Conduit Lenders at the CP Rate shall include an amount equal to the portion of the face amount of the outstanding Notes issued to fund or maintain such Portion of Capital that corresponds to the portion of the proceeds of such Notes that was used to pay the interest component of maturing Notes issued to fund or maintain such Portion of Capital, to the extent that such Conduit Lenders had not received payments of interest in respect of such interest component prior to the maturity date of such maturing Notes (for purposes of the foregoing, the "interest component" of Notes equals the excess of the face amount thereof over the net proceeds received by such Conduit Lender from the issuance of Notes, except that if such Notes are issued on an interest-bearing basis its "interest component" will equal the amount of interest accruing on such Notes through maturity). The "CP Rate" for any Conduit Lender for any day while an Event of Default has occurred and is continuing shall be an interest rate equal to the greater of (i) 2.00% per annum above the Base Rate for each day during such Interest Period (or portion thereof) and (ii) 2.00% per annum above the "CP Rate" calculated without giving effect to such Event of Default.

" Credit Agreement " means the Amended and Restated Credit Agreement, dated as of July 26, 2017, among Zebra Technologies Corporation, as Borrower, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent for the Tranche A Term Loan Facility and the Revolving Credit Facility, Morgan Stanley Senior Funding, Inc., as Administrative Agent for the Tranche B Term Loan Facility, and JPMorgan Chase Bank, N.A., as Collateral Agent, as such agreement may be amended, supplemented or otherwise modified from time to time.

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

" Credit Extension " means the making of any Loan.

" Credit Party " means each Lender, the Administrative Agent and each Group Agent.

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

" Days' Sales Outstanding " means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the aggregate Outstanding Balance of all Pool Receivables as of the last day of each of the three most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (b) an amount equal to (i) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (ii) ninety (90).

" Debt " means, as to any Person at any time of determination, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person (without duplication) for or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any bonds, debentures, notes, note purchase, acceptance or credit facility, or other similar instruments or facilities, (iii) reimbursement obligations (contingent or otherwise) under any letter of credit, (iv) any other transaction (including production payments (excluding royalties), installment purchase agreements, forward sale or purchase agreements, capitalized leases and conditional sales agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements (but not including accounts payable incurred in the ordinary course of such Person's business payable on terms customary in the trade), (v) all net obligations of such Person in respect of interest rate or currency hedges or (vi) any Guaranty of any such Debt.

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

" Default Ratio " means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by *dividing* : (a) the aggregate Outstanding Balance of all Pool Receivables that became Defaulted Receivables during such month, *by* (b) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the month that is four Fiscal Months before such month.

" Defaulted Receivable " means a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for more than 90 days from the original due date for such payment;

(b) as to which any payment, or part thereof, remains unpaid for less than 91 days from the original due date for such payment and consistent with the Credit and Collection Policy, has been or should be written off the applicable Originator's or the Borrower's books as uncollectible; or

(c) without duplication, as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto.

" Defaulting Lender " means any Committed Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans or (ii) 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 Committed Lender notifies the Administrative Agent in writing that such failure is the result of such Committed Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any 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 Committed 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, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Committed Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective 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 an Insolvency Proceeding.

" Deferred Revenue Amount " means, for any Fiscal Month, an amount equal to sum of (a) the aggregate amount of liabilities for deferred revenue and (b) the aggregate amount of liabilities for advance Contract payments of the Originators' and the related consolidated Subsidiaries of the Originators as of the last day of such Fiscal Month, determined in accordance with GAAP.

" Deferred Revenue Amount Limit " means, at any time of determination, (a) 18.50% or (b) following a downgrade of the Performance Guarantor's long-term credit rating to below Ba3/BB-, 10.00%. Notwithstanding the foregoing, the Administrative Agent or any Lender may, acting in its sole discretion, upon not less than ten (10) Business Days' prior written notice to the Borrower, cancel or reduce the then applicable Deferred Revenue Amount Limit.

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

" Delinquent Receivable " means a Receivable as to which any payment, or part thereof, remains unpaid for 91 days or more from the original due date for such payment. Such amounts shall be calculated without giving effect to any netting of credits that have not been applied to a particular Receivable

for the purpose of aged trial balance reporting.

" Dilution Horizon Ratio " means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of such Fiscal Month by *dividing* : (a) the sum of (i) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the such Fiscal Month, plus (ii) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the preceding Fiscal Month, *by* (b) the Net Receivables Pool Balance as of the last day of such Fiscal Month. Within thirty (30) days of the completion and the receipt by the Administrative Agent of the results of any annual audit or field exam of the Receivables and the servicing and origination practices of the Servicer and the Originators, the numerator of the Dilution Horizon Ratio may be adjusted by the Administrative Agent upon not less than five (5) Business Days' notice to the Borrower to reflect such number of Fiscal Months as the Administrative Agent reasonably believes best reflects the business practices of the Servicer and the Originators and the actual amount of dilution and Deemed Collections that occur with respect to Pool Receivables based on the weighted average dilution lag calculation completed as part of such audit or field exam.

" Dilution Ratio " means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each Fiscal Month by *dividing* : (a) the aggregate amount of Deemed Collections during such Fiscal Month (other than any Deemed Collections that are included in the Contractual Dilution Accrual and Deemed Collections with respect to any Receivables that were both (I) generated by an Originator during such Fiscal Month and (II) written off the applicable Originator's or the Borrower's books as uncollectible during such Fiscal Month), by (b) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the Fiscal Month that is one (1) month prior to such Fiscal Month.

" Dilution Reserve Percentage " means, on any day, the product of (a) the sum of (i) (x) 2.25 times (y) the arithmetic average of the Dilution Ratios for the twelve most recent Fiscal Months, plus (ii) the Dilution Volatility Component, *multiplied by* (b) the Dilution Horizon Ratio.

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

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

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

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

" Eligible Assignee " means (i) any Committed Lender or any of its Affiliates, (ii) any Person managed by a Committed Lender or any of its Affiliates and (iii) any other financial or other institution of recognized standing having capital and surplus in excess of $500,000,000.

" Eligible Canadian Obligor " means an Obligor (i) that is organized in or that has a head office (domicile), registered office, and chief executive office located in Canada, and (ii) the Contract that gave rise to such Receivable is governed by the respective laws of the respective province in Canada or a state, territory, district, commonwealth, or possession of the United States of America.

" Eligible Foreign Obligor " means any Obligor which is organized in and whose principal place of business is in, any country other than the United States, Canada, or a Sanctioned Country.

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

(a) the Obligor of which is: (i) a resident of the United States of America, and Eligible Canadian Obligor, or an Eligible Foreign Obligor; (ii) not a Governmental Authority, (iii) not a Sanctioned Person; (iv) not subject to any Insolvency Proceeding; (v) not an Affiliate of the Borrower, the Servicer or any Originator; and (vi) not the Obligor with respect to Defaulted Receivables with an aggregate Outstanding Balance exceeding 50% of the aggregate Outstanding Balance of all of such Obligor's Pool Receivables;

(b) (i) that is denominated and payable only in U.S. dollars in the United States of America, and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock-Box or Collection Account in the United States of America, (ii) that is denominated and payable in Canadian Dollars in the United States of America and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock-Box or Collection Account in the United States of America, or (iii) that is denominated and payable in Canadian Dollars or U.S. Dollars in Canada, and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock-Box or Collection Account in Canada;

(c) that does not have a due date which is 121 days or more after the original invoice date of such Receivable;

(d) that arises under a Contract for the sale of goods or services entered into on an arm's length basis in the ordinary course of the applicable Originator's business;

(e) that arises under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of

the related Obligor, enforceable against such Obligor in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law;

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

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

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

(i) that is not subject to any existing dispute, litigation, right of rescission, set-off, counterclaim, hold back, any other defense against the applicable Originator (or any assignee of such Originator) or Adverse Claim (including customer deposits, advance payments (including payments related to unearned revenues)), and the Obligor of which holds no right as against the applicable Originator to cause such Originator to repurchase the goods or merchandise, the sale of which shall have given right to such Receivable, *provided, however,* that if such dispute, litigation, right of rescission, set-off, counterclaim, hold back, other defense or Adverse Claim affects only a portion of the Outstanding Balance of such Receivable, then such Receivable may be deemed an Eligible Receivable to the extent of the portion of such Outstanding Balance which is not so affected; *provided further, however,* that with respect to any Obligor, a Receivable may be deemed an Eligible Receivable notwithstanding the existence of a liability described in clause (b) of the definition of Deferred Revenue Amount with respect to such Obligor;

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

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

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

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

(n) that constitutes an "account" or "general intangible" as defined in the UCC, and that is not evidenced by instruments or chattel paper;

(o) that is neither a Defaulted Receivable nor a Delinquent Receivable;

(p) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Originator thereof or by the Borrower and such Receivable shall have been billed or invoiced and the related goods or merchandise shall have been shipped and/or services performed;

(q) for which such Receivable shall have been billed or invoiced by or on behalf of the Servicer;

(r) that does not arise from the sale of as-extracted collateral, as such term is used in the UCC;

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

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

(u) represents amounts that have been recognized as revenue by the Originator thereof in accordance with GAAP.

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

thereunder.

" ERISA Affiliate " means, with respect to any Person, any corporation, trade or business which together with the Person is a member of a controlled group of corporations or a controlled group of trades or businesses and would be deemed a "single employer" within the meaning of Sections 414(b), (c), (m) of the Code or Section 4001(b) of ERISA.

" Euro-Rate " means, at any time of determination, with respect to any Lender, (i) if such Lender and the Borrower have agreed in writing that the Euro-Rate for such Lender will be determined based upon Adjusted LIBOR, then Adjusted LIBOR at such time or (ii) in all other cases, LMIR at such time. The Euro-Rate with respect to the BTMU Group shall be determined based upon Adjusted LIBOR unless otherwise agreed by BTMU and the Borrower in writing.

" Euro-Rate Reserve Percentage " means, for any day, the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including without limitation, supplemental, marginal, and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as " *Eurocurrency Liabilities* ").

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

" Excess Concentration " means, the sum, without duplication, of:

(a) the sum of the amounts calculated for each of the Obligors equal to the excess (if any) of (i) an amount equal to the aggregate Outstanding Balance of the Eligible Receivables of such Obligor, *over* (ii) the product of (x) such Obligor's applicable Concentration Percentage, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(b) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Canadian Obligor, over (ii) the product of (x) 5.00%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(c) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor, *over* (ii) the product of (x) 17.50%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(d) without duplication of any amounts in clause (c) above, the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor that is a resident of a country that maintains a sovereign debt rating lower than (a) "A-" by S&P and (b) "A3" by Moody's, *over* (ii) the product of (x) 5.00%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *provided* that the Excess Concentration described in this clause (d) may be reduced or revoked in whole or in part at the request of any Lender upon thirty (30) days' notice to the Borrower; *plus*

(e) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Medium-Term Receivables, *over* (ii) the product of (x) 5.00%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(f) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Long-Term Receivables, *over* (ii) the product of (x) 1.00%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(g) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are denominated in Canadian Dollars, *over* (ii) the product of (x) 5.00%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

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

" Excluded Taxes " means any of the following Taxes imposed on or with respect to a Credit Party or required to be withheld or deducted from a payment to a Credit Party: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Credit Party being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender pursuant to a law in effect on the date on which (i) such Lender acquires the applicable interest in the Loan or Commitment (other than pursuant to an assignment request under Sections 5.05 or 5.06) or (ii) such Lender changes its lending office, except in each case to the extent that amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Credit Party's failure to comply with Section 5.03(f) and (d) any withholding Taxes imposed pursuant to FATCA.

" Facility Limit " means, at any time of determination, the aggregate Commitment of all Committed Lenders, which as of the Closing Date is equal to $180,000,000, as reduced from time to time pursuant to Section 2.02(e) . References to the unused portion of the Facility Limit shall mean, at any time of determination, an amount equal to (x) the Facility Limit at such time, *minus* (y) the Aggregate Capital.

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

" Federal Funds Rate " means, for any day, the per annum rate set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Federal Reserve Board (including any such successor, "H.15(519)") for such day opposite the caption "Federal Funds (Effective)." If on any relevant day such rate is not yet published in H.15(519), the rate for such day will be the rate set forth in the daily statistical release designated as the Composite 3:30 p.m. Quotations for U.S. Government Securities, or any successor publication, published by the Federal Reserve Bank of New York (including any such successor, the "Composite 3:30 p.m. Quotations") for such day under the caption "Federal Funds Effective Rate." If on any relevant day the appropriate rate is not yet published in either H.15(519) or the Composite 3:30 p.m. Quotations, the rate for such day will be the arithmetic mean as determined by the Administrative Agent of the rates for the last transaction in overnight Federal funds arranged before 9:00 a.m. (New York time) on that day by each of three leading brokers of Federal funds transactions in New York City reasonably selected by the Administrative Agent.

" Federal Reserve Board " means the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

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

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

" Final Payout Date " means the date on or after the Termination Date when (i) the Aggregate Capital and Aggregate Interest have been paid in full, (ii) all other Borrower Obligations shall have been paid in full, (iii) all other amounts owing to the Credit Parties and any other Borrower Indemnified Party or Affected Person hereunder and under the other Transaction Documents have been paid in full and (iv) all accrued Servicing Fees have been paid in full.

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

" Fiscal Month " means each calendar month.

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

" GAAP " means generally accepted accounting principles in the United States of America, consistently applied.

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

" Group " means, (i) for any Conduit Lender, such Conduit Lender, together with such Conduit Lender's Related Committed Lenders and related Group Agent, (ii) for PNC, PNC as a Committed Lender and as a Group Agent, (iii) for any other Lender that does not have a related Conduit Lender, such Lender, together with such Lender's related Group Agent and each other Lender for which such Group Agent acts as a Group Agent hereunder.

" Group A Obligor " means any Obligor with short-term ratings of at least: (a) "A-1" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of at least "A+" by S&P on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities, and (b) "P-1" by Moody's, or if such Obligor does not have a short-term rating from Moody's, a rating of at least "A1" by Moody's on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities; *provided, however,* if such Obligor is rated by only one of such rating agencies, then such Obligor will be a "Group A Obligor" if it satisfies either clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group A Obligor" shall be deemed to be a Group A Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage" and clause (a) of the definition of "Excess Concentration" for such Obligors, unless such deemed Obligor separately satisfies the definition of "Group A Obligor", "Group B Obligor", or "Group C Obligor", in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group A Obligor" shall be deemed to be a Group A Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

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

" Group Agent's Account " means, with respect to any Group, the account(s) from time to time designated in writing by the applicable Group Agent to the Borrower and the Servicer for purposes of receiving payments to or for the account of the members of such Group hereunder.

" Group B Obligor " means an Obligor that is not a Group A Obligor, with short-term ratings of at least: (a) "A-2" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of at least "BBB+" by S&P on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities, and (b) "P-2" by Moody's, or if such Obligor does not have a short-term rating from Moody's, a rating of at least "Baal" by Moody's on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities; *provided, however,* if such Obligor is rated by only one of such rating agencies, then such Obligor will be a "Group C Obligor" if it satisfies either clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group B Obligor" shall be deemed to be a Group B Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage" and clause (a) of the definition of "Excess Concentration" for such Obligors, unless such deemed Obligor separately satisfies the definition of "Group A Obligor", "Group B Obligor", or "Group C Obligor", in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group B Obligor" shall be deemed to be a Group B Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

" Group C Obligor " means an Obligor that is not a Group A Obligor or a Group B Obligor, with short-term ratings of at least: (a) "A-3" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of at least "BBB-" by S&P on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities, and (b) "P-3" by Moody's, or if such Obligor does not have a short-term rating from Moody's, at least "Baa3" by Moody's on such Obligor's long-term senior unsecured and uncredit-enhanced debt securities; *provided, however,* if such Obligor is rated by only one of such rating agencies, then such Obligor will be a "Group D Obligor" if it satisfies either clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group C Obligor" shall be deemed to be a Group C Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage" and clause (a) of the definition of "Excess Concentration" for such Obligors, unless such deemed Obligor separately satisfies the definition of "Group A Obligor", "Group B Obligor", or "Group C Obligor", in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors, (ii) ScanSource, Inc. shall be deemed to be a Group C Obligor until such time that any Lender provides thirty (30) days' written notice to the Borrower and Servicer that such Obligor shall no longer be deemed a Group C Obligor and (iii) any Obligor that is a Special Obligor that satisfies the definition of "Group C Obligor" shall be deemed to be a Group C Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

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

" Group D Obligor " means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor; *provided,* that (i) any Obligor that is not rated by either Moody's or S&P shall be a Group D Obligor, except as provided by the last sentence of each of "Group A Obligor", "Group B Obligor", and "Group C Obligor" and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group D Obligor" shall be deemed to be a Group D Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

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

" Indemnified Taxes " means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower, the Servicer (to the extent the Servicer is Zebra or an Affiliate thereof) or any Originator under any Transaction Document and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

" Independent Manager " has the meaning set forth in Section 8.03(c) .

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

" Insolvency Proceeding " means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian, or other similar official for, it or for any substantial part of its property) shall occur or (b) any general assignment for the benefit of creditors of a Person, composition, marshaling of assets for creditors of a Person, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each of clauses (a) and (b) undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

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

" Interest " means, for each Loan on any day during any Interest Period (or portion thereof), the amount of interest accrued on the Capital of such Loan during such Interest Period (or portion thereof) in accordance with Section 2.03(b) .

" Interest Period " means: (a) before the Termination Date: (i) initially the period commencing on the date of the initial Loan pursuant to Section 2.01 (or in the case of any fees payable hereunder, commencing on the Closing Date) and ending on (but not including) the next Monthly Settlement Date and (ii) thereafter, each period commencing on such Monthly Settlement Date and ending on (but not including) the next Monthly Settlement Date and (b) on and after the Termination Date, such period (including a period of one (1) day) as shall be selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) or, in the absence of any such selection, each period of 30 days from the last day of the preceding Interest Period.

" Interest Rate " means, for any day in any Interest Period for any Loan (or any portion or Capital thereof) the applicable Bank Rate;

provided, however , that the "Interest Rate" for any day while an Event of Default has occurred and is continuing shall be an interest rate per annum equal to the sum of 2.00% per annum plus the greater of (i) the Base Rate in effect on such day, and (ii) the Euro-Rate with respect to such Lender for such Interest Period; *provided, further,* that no provision of this Agreement shall require the payment or permit the collection of Interest in excess of the maximum permitted by Applicable Law; and *provided, further,* that Interest for any Loan shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

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

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

" Lenders " means the Conduit Lenders and the Committed Lenders.

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

" Liquidity Agreement " means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Lender in order to provide liquidity for such Conduit Lender's Loans.

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

" LMIR " means for any day during any Interest Period, the interest rate per annum determined by the applicable Group Agent (which determination shall be conclusive absent manifest error) by dividing (i) the one-month Eurodollar rate for U.S. dollar deposits as reported by Bloomberg Finance L.P. and shown on US0001M Screen or any other service or page that may replace such page from time to time for the purpose of displaying offered rates of leading banks for London interbank deposits in United States dollars, as of 11:00 a.m. (London time) on such day, or if such day is not a Business Day, then the immediately preceding Business Day (or if not so reported, then as determined by the Administrative Agent from another recognized source for interbank quotation), in each case, changing when and as such rate changes, by (ii) a number equal to 1.00 minus the Euro-Rate Reserve Percentage on such day. The calculation of LMIR may also be expressed by the following formula:

$$\text{LMIR} = \frac{\text{One-month Eurodollar rate for U.S. dollar deposits shown on Bloomberg US0001M Screen or appropriate successor}}{\text{1.00 - Euro-Rate Reserve Percentage.}}$$

LMIR shall be adjusted on the effective date of any change in the Euro-Rate Reserve Percentage as of such effective date. Notwithstanding the foregoing, if LMIR as determined herein would be less than zero (0.00), such rate shall be deemed to be zero percent (0.00%) for purposes of this Agreement.

" Loan " means any loan made by a Lender pursuant to Section 2.02 .

" Loan Request " means a letter in substantially the form of Exhibit A hereto executed and delivered by the Borrower to the Administrative Agent and the Group Agents pursuant to Section 2.02(a) .

" Lock-Box " means each locked postal box with respect to which a Collection Account Bank has executed an Account Control Agreement pursuant to which it has been granted exclusive access for the purpose of retrieving and processing payments made on the Receivables and which is listed on Schedule II (as such schedule may be modified from time to time in connection with the addition or removal of any Lock-Box in accordance with the terms hereof).

" Long-Term Receivables " means each Receivable that has a due date which is more than 90 days but less than 121 days after the original invoice date of such Receivable.

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

(a) the sum of (i) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the six (6) most recent Fiscal Months ending prior to the time of determination and (ii) the product of (A) the Loss Horizon Terms Component, *times* (B) the aggregate initial Outstanding Balance of all Pool Receivables originated by the Originators during the seventh (7th) most recent Fiscal Month ending prior to the time of determination, by

(b) the Net Receivables Pool Balance as of such date.

" Loss Horizon Terms Component " means, at any time of determination, the amount equal to (a) the sum of (i) the product of (A) the percentage set forth in clause (e) of the definition of Excess Concentration, *multiplied by* (B) 30, and (ii) the product of (A) the percentage set forth in clause (f) of the definition of Excess Concentration, *multiplied by* (B) 60, divided by (b) 30.

" Loss Reserve Percentage " means, at any time of determination, the product of (a) 2.25, *times* (b) the highest average of the Default Ratios for any three consecutive Fiscal Months during the twelve most recent Fiscal Months, *times* (c) the Loss Horizon Ratio.

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

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

(a) the assets, operations, business or financial condition of such Person and its consolidated Subsidiaries, taken as a whole;

(b) the ability of any such Person to perform its material obligations, if any under this Agreement or any other Transaction Document to which it is a party;

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

(d) the status, perfection, enforceability or priority of the Administrative Agent's or the Borrower's security interest in any material portion of the Collateral.

" Maturity Date " means the earlier to occur of (a) the date occurring one hundred eighty (180) days following the Scheduled Termination Date and (b) the date on which the "Termination Date" is declared or deemed to have occurred under Section 10.01 .

" Medium-Term Receivables " means each Receivable that has a due date which is more than 60 days but less than 91 days after the original invoice date of such Receivable.

" Minimum Dilution Reserve Percentage " means, on any day in a Fiscal Month, the product of (a) the average of the Dilution Ratios for the twelve most recent Fiscal Months ended that are covered by the most recently delivered Information Package, *multiplied by* (b) the Dilution Horizon Ratio for the most recent Fiscal Month ended that is covered by the most recently delivered Information Package.

" Minimum Funding Threshold " means, at any time of determination, the amount that is equal to the lesser of (a) sixty percent (60%) of the Facility Limit at such time and (b) the Borrowing Base at such time.

" Monthly Settlement Date " means the 20th day of each calendar month (or if such day is not a Business Day, the next occurring Business Day).

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

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

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

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

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

" Obligor Percentage " means, at any time of determination, for each Obligor, a fraction, expressed as a percentage, (a) the numerator of which is (w) the aggregate Outstanding Balance of the Eligible Receivables of such Obligor *less* (x) the amount (if any) then included in the calculation of the Excess Concentration with respect to such Obligor *less* (y) the amount (if any) then included in the calculation of the Contractual Dilution Accrual with respect to such Obligor *less* (z) the amount (if any) then included in the calculation of the Offset Reserve Amount with respect to such Obligor and (b) the denominator of which is the aggregate Outstanding Balance of all Eligible Receivables at such time.

" OFAC " means the U.S. Department of the Treasury's Office of Foreign Assets Control.

" Offset Reserve Amount " means, at any time of determination, the amount equal to the excess (if any) of (a) the Deferred Revenue Amount *less* (b) the product of (i) the Deferred Revenue Amount Limit *times* (ii) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

" Originator " and " Originators " have the meaning set forth in the Receivables Purchase Agreement, as the same may be modified from time to time by adding new Originators or removing Originators, in each case with the prior written consent of the Administrative Agent.

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

" Other Taxes " means any and all present or future stamp or documentary Taxes charges or similar levies or fees arising from any payment made hereunder or from the execution, delivery, filing, recording or enforcement of, or otherwise in respect of, this Agreement, the other Transaction Documents and the other documents or agreements to be delivered hereunder or thereunder, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to either of Sections 5.05 or 5.06).

" Outstanding Balance " means, at any time of determination, with respect to any Receivable, the then outstanding principal balance thereof; for the avoidance of doubt, the "Outstanding Balance" of any Receivable originated by an Originator is the then net outstanding principal balance thereof as determined by the Servicer in accordance with its customary practices.

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

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

" PATRIOT Act " has the meaning set forth in Section 14.15 .

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

" Pension Plan " means a pension plan as defined in Section 3(2) of ERISA that is subject to Title IV of ERISA with respect to which any Originator, the Borrower or any other member of the Controlled Group may have any liability, contingent or otherwise.

" Performance Guarantor " means Zebra Technologies Corporation, a Delaware corporation.

" Performance Guaranty " means the Performance Guaranty, dated as of the Closing Date, by the Performance Guarantor in favor of the Administrative Agent for the benefit of the Secured Parties, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

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

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

" Pool Receivable " means a Receivable in the Receivables Pool.

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

" Pro Rata Percentage " means, at any time of determination, with respect to any Committed Lender, a fraction (expressed as a percentage), (a) the numerator of which is (i) prior to the termination of all Commitments hereunder, its Commitment at such time or (ii) if all Commitments hereunder have

been terminated, the aggregate outstanding Capital of all Loans being funded by such Committed Lender at such time and (b) the denominator of which is (i) prior to the termination of all Commitments hereunder, the aggregate Commitments of all Committed Lenders at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Loans at such time.

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

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

" Rating Agency " mean each of S&P, Fitch and Moody's (and/or each other rating agency then rating the Notes of any Conduit Lender).

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

" Receivables Pool " means, at any time of determination, all of the then outstanding Receivables transferred (or purported to be transferred) to the Borrower pursuant to the Receivables Purchase Agreement prior to the Termination Date.

" Receivables Purchase Agreement " means the Receivables Purchase Agreement, dated as of the Closing Date, among the Servicer, the Originators and the Borrower, as such agreement may be amended, supplemented or otherwise modified from time to time.

" Receivables Purchase Agreement Termination Event " means the date on which a termination of the purchase and sale of Receivables under the Receivables Purchase Agreement shall have occurred pursuant to Section 6.1 or 6.2 thereof.

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

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

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

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

" Related Security " means, with respect to any Receivable:

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

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

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto;

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

(e) all of the Borrower's rights, interests and claims under the Receivables Purchase Agreement and the other Transaction

Documents.

" Reportable Compliance Event " shall mean that any Covered Entity becomes a Sanctioned Person, or is charged by indictment, criminal complaint or similar charging instrument, arraigned, or custodially detained in connection with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, or has knowledge of facts or circumstances to the effect that it is reasonably likely that any aspect of its operations is in actual or probable violation of any Anti-Terrorism Law.

" Reportable Event " means any reportable event as defined in Section 4043(c) of ERISA or the regulations issued thereunder with respect to a Pension Plan (other than (i) those events as to which the 30-day notice period is waived under Sections 21, 22, 23, 24, 25, 27 or 28 of PBGC Regulation Section 4043 or any successor regulation thereto and (ii) a Pension Plan maintained by an ERISA Affiliate which is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code).

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

" Required Capital Amount " means, at any time of determination, an amount equal to $35,000,000.

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

" S&P " means Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business, and any successor thereto that is a nationally recognized statistical rating organization.

" Sanctioned Country " means a country subject to a sanctions program identified on the list maintained by OFAC and available at: http://www.treasury.gov/resource-center/sanctions/ Programs/Pages/Programs.aspx, or as otherwise published from time to time.

" Sanctioned Person " means (i) A person named on the list of "Specially Designated Nationals" or "Blocked Persons" maintained by OFAC available at: http://www.treasury.gov/ resource-center/sanctions/SDN-List/Pages/default.aspx, or as otherwise published from time to time, (ii) (A) an agency of the government of a Sanctioned Country, (B) an organization controlled by a Sanctioned Country or (C) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC, or (iii) any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person, group, regime, entity or thing, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any Anti-Terrorism Law.

" Scheduled Termination Date " means November 29, 2019.

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

" Secured Parties " means each Credit Party, each Borrower Indemnified Party and each Affected Person.

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

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

" Servicer Indemnified Amount " has the meaning set forth in Section 13.02(a) .

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

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

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

" Settlement Date " means with respect to any Portion of Capital for any Interest Period or any Fees, (i) prior to an Event of Default that is continuing or the occurrence of the Termination Date, the Monthly Settlement Date and (ii) during the occurrence and continuance of an Event of Default and on and after the Termination Date, each day selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) (it being understood that the Administrative Agent (with the consent or at the direction of the Majority Group Agents) may select such Settlement Date to occur as frequently as daily), or, in the absence of such selection, the Monthly Settlement Date.

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

" Special Concentration Limit " has the meaning set forth in the definition of Concentration Percentage.

" Special Obligor " has the meaning set forth in the definition of Concentration Percentage.

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

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

" Subsidiary " means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

" Taxes " means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings (including backup withholding), assessments or fees imposed by any Governmental Authority and all interest, penalties, additions to tax and any similar liabilities with respect thereto.

" Termination Date " means the earliest to occur of (a) the Scheduled Termination Date, (b) the date on which the "Termination Date" is declared or deemed to have occurred under Section 10.01 and (c) the date selected by the Borrower on which all Commitments have been reduced to zero pursuant to Section 2.02(e) .

" Total Reserves " means, at any time of determination, the product of (a) the sum of (i) the Yield Reserve Percentage, *plus* (ii) the greater of (x) the sum of the Concentration Reserve Percentage *plus* the Minimum Dilution Reserve Percentage and (y) the sum of the Dilution Reserve Percentage *plus* the Loss Reserve Percentage, *multiplied by* (b) the Adjusted Net Receivables Pool Balance on such day.

" Transaction Documents " means this Agreement, the Receivables Purchase Agreement, the Account Control Agreements, the Fee Letter, the Performance Guaranty and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement, in each case as the same may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement.

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

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

" Unmatured Event of Default " means an event that but for notice or lapse of time or both would constitute an Event of Default.

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

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

" Yield Reserve Percentage " means at any time of determination:

$$\frac{1.50 \times DSO \times BR}{360}$$

where:

BR = the Base Rate plus 1.0%; and

DSO = the Days' Sales Outstanding for the most recently ended Fiscal Month.

" Zebra " has the meaning set forth in the preamble to this Agreement.

" Zebra Group " has the meaning set forth in Section 8.03(c) .

Section 1.02. Other Interpretative Matters . All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York and not specifically defined herein, are used herein as defined in such Article 9. Unless otherwise expressly indicated, all references herein to "Article," "Section," "Schedule," "Exhibit" or "Annex" shall mean articles and sections of, and schedules, exhibits and annexes to, this Agreement. For purposes of this Agreement, the other Transaction Documents and all such certificates and other documents, unless the context otherwise requires: (a) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; (b) the words "hereof," "herein" and "hereunder" and words of similar import refer to such agreement (or the

certificate or other document in which they are used) as a whole and not to any particular provision of such agreement (or such certificate or document); (c) references to any Section, Schedule or Exhibit are references to Sections, Schedules and Exhibits in or to such agreement (or the certificate or other document in which the reference is made), and references to any paragraph, subsection, clause or other subdivision within any Section or definition refer to such paragraph, subsection, clause or other subdivision of such Section or definition; (d) the term "including" means "including without limitation"; (e) references to any Applicable Law refer to that Applicable Law as amended from time to time and include any successor Applicable Law; (f) references to any agreement refer to that agreement as from time to time amended, restated or supplemented or as the terms of such agreement are waived or modified in accordance with its terms; (g) references to any Person include that Person's permitted successors and assigns; (h) headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof; (i) unless otherwise provided, in the calculation of time from a specified date to a later specified date, the term "from" means "from and including", and the terms "to" and "until" each means "to but excluding"; (j) terms in one gender include the parallel terms in the neuter and opposite gender; (k) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day and (l) the term "or" is not exclusive.

ARTICLE II

TERMS OF THE LOANS

Section 2.01. Loan Facility . Upon a request by the Borrower pursuant to Section 2.02 , and on the terms and subject to the conditions hereinafter set forth, the Conduit Lenders, ratably, in accordance with the aggregate of the Commitments of the Related Committed Lenders with respect to each such Conduit Lender, severally and not jointly, may, in their sole discretion, make Loans to the Borrower on a revolving basis, and if and to the extent any Conduit Lender does not make any such requested Loan or if any Group does not include a Conduit Lender, the Related Committed Lender(s) for such Conduit Lender or the Committed Lender for such Group, as the case may be, shall, ratably in accordance with their respective Commitments, severally and not jointly, make such Loans to the Borrower, in either case, from time to time during the period from the Closing Date to the Termination Date. Under no circumstances shall any Lender be obligated to make any such Loan if, after giving effect to such Loan:

(i) the Aggregate Capital would exceed the Facility Limit at such time;

(ii) the sum of (A) the Capital of such Lender, plus (B) the aggregate outstanding Capital of each other Lender in its Group, would exceed the Group Commitment of such Lender's Group;

(iii) if such Lender is a Committed Lender, the aggregate outstanding Capital of such Committed Lender would exceed its Commitment; or

(iv) the Aggregate Capital would exceed the Borrowing Base at such time.

Section 2.02. Making Loans; Repayment of Loans . (a) Each Loan hereunder shall be made on at least two (2) Business Days prior written request from the Borrower to the Administrative Agent and each Group Agent in the form of a Loan Request attached hereto as Exhibit A . Each such request for a Loan shall be made no later than 11:00 a.m. (New York City time) on a Business Day (it being understood that any such request made after such time shall be deemed to have been made on the following Business Day) and shall specify (i) the amount of the Loan(s) requested (which shall not be less than $100,000 and shall be an integral multiple of $100,000), (ii) the allocation of such amount among the Groups (which shall be ratable based on the Group Commitments), (iii) the account to which the proceeds of such Loan shall be distributed and (iv) the date such requested Loan is to be made (which shall be a Business Day).

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

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

(d) The Borrower shall repay in full the outstanding Capital of each Lender on the Maturity Date. Prior thereto, the Borrower shall, on each Settlement Date, make a prepayment of the outstanding Capital of the Lenders to the extent required under Section 4.01 and otherwise in accordance therewith. Notwithstanding the foregoing, the Borrower, in its discretion, shall have the right to make a prepayment, in whole or in part, of the outstanding Capital of the Lenders on any Business Day upon two (2) Business Days' prior written notice thereof to the Administrative Agent and each Group Agent in the form of a Reduction Notice attached hereto as Exhibit D; *provided, however,* that (i) each such prepayment shall be in a minimum aggregate amount of $100,000 and shall be an integral multiple of $100,000, (ii) any accrued Interest and Fees in respect of such prepaid Capital shall be paid on the immediately following Settlement Date, and (iii) it shall be condition precedent to any such reduction in Capital that after giving effect to the reduction in the outstanding Capital proposed in such Reduction Notice, the outstanding Capital at such time would not be less than an amount equal to the Minimum Funding Threshold.

(e) The Borrower may, at any time upon at least forty-five (45) Business Days' prior written notice to the Administrative Agent and each Group Agent, terminate the Facility Limit in whole or ratably reduce the Facility Limit in part. Each partial reduction in the Facility Limit shall be in a minimum aggregate amount of $5,000,000 and shall be an integral multiple of $1,000,000, and no such partial reduction shall reduce the Facility Limit to an amount less than $150,000,000. In connection with any partial reduction in the Facility Limit, the Commitment of each Committed Lender shall be ratably reduced.

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

Section 2.03. Interest and Fees . (a) On each Settlement Date, the Borrower shall, in accordance with the terms and priorities for payment set forth in Section 4.01 , pay to each Group Agent, each Lender, the Administrative Agent, and the Structuring Agent certain fees (collectively, the " Fees ") in the amounts set forth in the fee letter agreements from time to time entered into, among the Borrower, the members of the applicable Group (or their Group Agent on their behalf) and/or the Administrative Agent (each such fee letter agreement, as amended, restated, supplemented or otherwise modified from time to time, collectively being referred to herein as the " Fee Letter "). Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender as provided in Section 2.05 .

(b) The Capital of each Lender shall accrue interest on each day when such Capital remains outstanding at the then applicable Interest Rate. The Borrower shall pay all Interest, Fees and Breakage Fees accrued during each Interest Period on the immediately following Settlement Date in accordance with the terms and priorities for payment set forth in Section 4.01 .

Section 2.04. Records of Loans . Each Group Agent shall record in its records, the date and amount of each Loan made by the Lenders in its Group hereunder, the interest rate with respect thereto, the Interest accrued thereon and each repayment and payment thereof. Subject to Section 14.03(c) , such records shall be conclusive and binding absent manifest error. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Borrower hereunder or under the other Transaction Documents to repay the Capital of each Lender, together with all Interest accruing thereon and all other Borrower Obligations.

Section 2.05. Defaulting Lenders . Notwithstanding any provision of this Agreement to the contrary, if any Committed Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Committed Lender is a Defaulting Lender:

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

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

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

ARTICLE III

SECURITY INTEREST

Section 3.01. Security Interest . (a) As security for the performance by the Borrower of all the terms, covenants and agreements on the part of the Borrower to be performed under this Agreement or any other Transaction Document, including the punctual payment when due of the Aggregate Capital and all Interest in respect of the Loans and all other Borrower Obligations, the Borrower hereby grants to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, a continuing security interest in, all of the Borrower's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising (collectively, the " Collateral "): (i) all Pool Receivables, (ii) all Related Security with respect to such Pool Receivables, (iii) all Collections with respect to such Pool Receivables, (iv) the Lock-Boxes and Collection Accounts and all amounts

on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Boxes and Collection Accounts and amounts on deposit therein, (v) all rights (but none of the obligations) of the Borrower under the Receivables Purchase Agreement, (vi) all other personal and fixture property or assets of the Borrower of every kind and nature including, without limitation, all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, securities accounts, securities entitlements, letter-of-credit rights, commercial tort claims, securities and all other investment property, supporting obligations, money, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles) (each as defined in the UCC), and (vii) all proceeds of, and all amounts received or receivable under any or all of, the foregoing.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Collateral, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Borrower hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as "all of the debtor's personal property or assets" or words to that effect.

(c) Immediately upon the occurrence of the Final Payout Date, the Collateral shall be automatically released from the lien created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent, the Lenders and the other Credit Parties hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Borrower; *provided, however,* that promptly following written request therefor by the Borrower delivered to the Administrative Agent following any such termination, and at the sole expense of the Borrower, the Administrative Agent shall execute and deliver to the Borrower UCC-3 termination statements and such other documents as the Borrower shall reasonably request to evidence such termination.

ARTICLE IV

SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS

Section 4.01. Settlement Procedures . (a) The Servicer shall set aside and hold in trust for the benefit of the Secured Parties (or, if so requested by the Administrative Agent, segregate in a separate account in the name of the Borrower and approved by the Administrative Agent), for application in accordance with the priority of payments set forth below, all Collections on Pool Receivables that are received by the Servicer or the Borrower or received in any Lock-Box or Collection Account; *provided, however,* that so long as each of the conditions precedent set forth in Section 6.03 are satisfied, the Servicer may release to the Borrower from such Collections the amount (if any) necessary to pay the purchase price for Receivables purchased by the Borrower in accordance with the terms of the Receivables Purchase Agreement (each such release, a " Reinvestment "). On each Settlement Date, the Servicer (or, following its assumption of control of the Collection Accounts, the Administrative Agent) shall, distribute such Collections in the following order of priority:

(i) *first,* to the Servicer for the payment of the accrued Servicing Fees payable for the immediately preceding Interest Period (plus, if applicable, the amount of Servicing Fees payable for any prior Interest Period to the extent the full amount owed has not been distributed to the Servicer);

(ii) *second,* to each Lender and other Credit Party (ratably, based on the amount then due and owing), all accrued and unpaid Interest, Fees and Breakage Fees due to such Lender and other Credit Party for the immediately preceding Interest Period (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments), plus, if applicable, the amount of any such Interest, Fees and Breakage Fees (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments) payable for any prior Interest Period to the extent such amount has not been distributed to such Lender or Credit Party;

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

(x) prior to the occurrence of the Termination Date, to the extent that a Borrowing Base Deficit exists on such date, to the Lenders (ratably, based on the aggregate outstanding Capital of each Lender at such time) for the payment of a portion of the outstanding Aggregate Capital at such time, in an aggregate amount equal to the amount necessary to reduce the Borrowing Base Deficit to zero ($0);

(y) on and after the occurrence of the Termination Date, to each Lender (ratably, based on the aggregate outstanding Capital of each Lender at such time) for the payment in full of the aggregate outstanding Capital of such Lender at such time; or

(z) prior to the occurrence of the Termination Date, at the election of the Borrower and in accordance with Section 2.02(d) , to the payment of all or any portion of the outstanding Capital of the Lenders at such time (ratably, based on the aggregate outstanding Capital of each Lender at such time);

(iv) *fourth,* to the Credit Parties, the Affected Persons and the Borrower Indemnified Parties (ratably, based on the amount due and owing at such time), for the payment of all other Borrower Obligations then due and owing by the Borrower to the Credit Parties, the Affected Persons and the Borrower Indemnified Parties; and

(v) *fifth,* the balance, if any, to be paid to the Borrower for its own account.

(b) All payments or distributions to be made by the Servicer, the Borrower and any other Person to the Lenders (or their respective related Affected Persons and the Borrower Indemnified Parties), shall be paid or distributed to the related Group Agent at its Group Agent's Account. Each Group Agent, upon its receipt in the applicable Group Agent's Account of any such payments or distributions, shall distribute such amounts to the applicable Lenders, Affected Persons and the Borrower Indemnified Parties within its Group ratably; *provided* that if such Group Agent shall have received insufficient funds to pay all of the above amounts in full on any such date, such Group Agent shall pay such amounts to the applicable Lenders, Affected Persons and the Borrower Indemnified Parties within its Group in accordance with the priority of payments forth above, and with respect to any such category above for which there are insufficient funds to pay all amounts owing on such date, ratably (based on the amounts in such categories owing to each such Person in such Group) among all such Persons in such Group entitled to payment thereof.

(c) If and to the extent the Administrative Agent, any Credit Party, any Affected Person or any Borrower Indemnified Party shall be required for any reason to pay over to any Person (other than to any Person that is a party hereto as contemplated by this Agreement) any amount received on its behalf hereunder, such amount shall be deemed not to have been so received but rather to have been retained by the Borrower and, accordingly, the Administrative Agent, such Credit Party, such Affected Person or such Borrower Indemnified Party, as the case may be, shall have a claim against the Borrower for such amount.

(d) For the purposes of this Section 4.01 :

(i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any defective, rejected, returned, repossessed or foreclosed goods or services, or any revision, cancellation, allowance, rebate, credit memo, discount or other adjustment made by the Borrower, any Originator, the Servicer, or any Affiliate of the Servicer or any setoff, counterclaim or dispute between or among the Borrower or any Affiliate of the Borrower, an Originator or any Affiliate of an Originator, or the Servicer or any Affiliate of the Servicer, and an Obligor, the Borrower shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment and shall immediately pay any and all such amounts in respect thereof to a Collection Account (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Credit Parties for application pursuant to Section 4.01(a) ;

(ii) if on any day any of the representations or warranties in Section 7.01 is not true (in all material respects) with respect to any Pool Receivable, the Borrower shall be deemed to have received on such day a Collection of such Pool Receivable in full and shall immediately pay the amount of such deemed Collection to a Collection Account (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Credit Parties for application pursuant to Section 4.01(a) (Collections deemed to have been received pursuant to Section 4.01(d) are hereinafter sometimes referred to as " Deemed Collections ");

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

(iv) if and to the extent the Administrative Agent, any Credit Party, any Affected Person or any Borrower Indemnified Party shall be required for any reason to pay over to an Obligor (or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received by it hereunder, such amount shall be deemed not to have been so received by such Person but rather to have been retained by the Borrower and, accordingly, such Person shall have a claim against the Borrower for such amount, payable when and to the extent that any distribution from or on behalf of such Obligor is made in respect thereof.

Section 4.02. Payments and Computations, Etc . (a) All amounts to be paid by the Borrower or the Servicer to the Administrative Agent, any Credit Party, any Affected Person or any Borrower Indemnified Party hereunder shall be paid no later than 12:00 Noon (New York City time) on the day when due in same day funds to the applicable Group Agent's Account.

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

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

ARTICLE V

INCREASED COSTS; FUNDING LOSSES; TAXES; AND ILLEGALITY

Section 5.01. Increased Costs .

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

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

(ii) subject any Affected Person to any Taxes (other than Indemnified Taxes, Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, and Connection Income Taxes) on its loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Affected Person any other condition, cost or expense (other than Taxes) (A) affecting the Collateral, this Agreement, any other Transaction Document, any Program Support Agreement, any Loan or any participation therein or (B) affecting its obligations or rights to make Loans;

and the result of any of the foregoing shall be to increase the cost to such Affected Person of (A) acting as the Administrative Agent, a Group Agent or a Lender hereunder or as a Program Support Provider with respect to the transactions contemplated hereby, (B) funding or maintaining any Loan or (C) maintaining its obligation to fund or maintain any Loan, or to reduce the amount of any sum received or receivable by such Affected Person hereunder, then, upon request of such Affected Person (or its Group Agent), the Borrower shall pay to such Affected Person such additional amount or amounts as will compensate such Affected Person for such additional costs incurred or reduction suffered in accordance with Section 5.01(d) .

(b) *Capital and Liquidity Requirements.* If any Affected Person determines that any Change in Law affecting such Affected Person or any lending office of such Affected Person or such Affected Person's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of (x) increasing the amount of capital required to be maintained by such Affected Person or Affected Person's holding company, if any, or increasing the amount of high quality liquid assets such Affected Person or Affected Person's holding company, if any, is required to maintain as a result of any funding commitment made by such Affected Person under any Transaction Document, (y) reducing the rate of return on such Affected Person's capital or on the capital of such Affected Person's holding company, if any, or (z) causing an internal capital or liquidity charge or other imputed cost to be assessed upon such Affected Person or Affected Person's holding company, if any, in each case, as a consequence of (A) this Agreement or any other Transaction Document, (B) the commitments of such Affected Person hereunder or under any related Program Support Agreement, (C) the Loans made by such Affected Person, or (D) any Capital, to a level below that which such Affected Person or such Affected Person's holding company would have achieved but for such Change in Law (taking into consideration such Affected Person's policies and the policies of such Affected Person's holding company with respect to capital adequacy and liquidity), then from time to time, upon request by such Affected Person certifying (x) that the event described in this clause (b) has occurred and describing in reasonable detail the nature of such event, (y) as to the reduction of the rate of return on capital, imputed cost, increased internal capital or liquidity charge, or the increase in the amount of high quality liquid assets it is required to maintain as a result of any funding commitment made by such Affected Person under any Transaction Document, in each case, resulting from such event, and (z) as to the additional amount or amounts demanded by such Affected Person and a reasonably detailed explanation of the calculation thereof, the Borrower will pay to such Affected Person such additional amount or amounts as will compensate such Affected Person or such Affected Person's holding company for any such increase, reduction or charge suffered in accordance with Section 5.01(d) .

(c) *Adoption of Changes in Law.* The Borrower acknowledges that any Affected Person may institute measures in anticipation of a Change in Law (including, without limitation, the imposition of internal charges on such Affected Person's interests or obligations under any Transaction Document or Program Support Agreement), and may commence allocating charges to or seeking compensation from the Borrower under this Section 5.01 in connection with such measures, in advance of the effective date of such Change in Law, and the Borrower agrees to pay such charges or compensation to such Affected Person, following demand therefor in accordance with the terms of this Section 5.01 , without regard to whether such effective date has occurred.

(d) *Certificates for Reimbursement.* A certificate of an Affected Person (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Affected Person or its holding company, as the case may be, as specified in clause (a), (b) or (c) of this Section and delivered to the Borrower together with all backup information and documentation reasonably requested by the Borrower, shall be conclusive absent manifest error. The Borrower shall, subject to the priorities of payment set forth in Section 4.01 , pay such Affected Person the amount shown as due on any such certificate on the later of (i) the first Settlement Date occurring after the Borrower's receipt of such certificate and (ii) ten (10) days after the Borrower's receipt of such certificate.

(e) *Delay in Requests.* Failure or delay on the part of any Affected Person to demand compensation pursuant to this Section shall not constitute a waiver of such Affected Person's right to demand such compensation provided that the Borrower shall not be required to compensate an Affected Person pursuant to this Section 5.01 for any increased costs or reductions incurred more than 180 days prior to the date that such Affected Person notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Affected Person's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 5.02. Funding Losses . (a) The Borrower will pay each Lender all Breakage Fees as and when due and owing.

(b) A certificate of a Lender (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Lender, as specified in clause (a) above and delivered to the Borrower together with all backup information and documentation reasonably requested by the Borrower, shall be conclusive absent manifest error. The Borrower shall, subject to the priorities of payment set forth in Section 4.01 , pay such Lender the amount shown as due on any such certificate on the later of (i) the first Settlement Date occurring after the Borrower's receipt of such certificate and (ii) ten (10) days after the Borrower's receipt of such certificate.

Section 5.03. Taxes .

(a) *Payments Free of Taxes.* Any and all payments by or on account of any obligation under any Transaction Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by such withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law, and, if such Tax is an Indemnified Tax, then the sum payable shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 5.03), the applicable Affected Person or Borrower Indemnified Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

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

(c) *Indemnification by the Borrower.* The Borrower shall indemnify each Affected Person, within ten days after demand therefor, for the full amount of (I) any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.03) payable or paid by such Affected Person or required to be withheld or deducted from a payment to such Affected Person and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority and (II) the excess, if any of the amount of (A) any U.S. federal, state or local income and franchise Taxes payable by such Affected Person with respect to payments received by such Affected Person under this Agreement as a result of a Governmental Authority successfully challenging the Intended Tax Treatment of a Loan over (B) U.S. federal, state or local income and franchise Taxes that would have been payable by such Affected Person with respect to such payments described in clause (A) if such Loan were treated in accordance with the Intended Tax Treatment, provided that the amount described in this clause (II), if applicable, shall be increased to take into account the taxability of receipt of payments under this clause (II)). A certificate that states the amount of such payment or liability shall be delivered to the Borrower by an Affected Person (with a copy to the Administrative Agent) together with all backup information and documentation reasonably requested by the Borrower, or by the Administrative Agent on its own behalf or on behalf of an Affected Person and shall be conclusive absent manifest error.

(d) *Indemnification by the Lenders.* Each Lender (other than the Conduit Lenders) shall severally indemnify the Administrative Agent, within ten days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender, its related Conduit Lender or any of their respective Affiliates that are Affected Persons (but only to the extent that the Borrower and its Affiliates have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting any obligation of the Borrower, the Servicer or their Affiliates to do so), (ii) any Taxes attributable to the failure of such Lender, its related Conduit Lender or any of their respective Affiliates that are Affected Persons to comply with Section 14.03(f) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, its related Conduit Lender or any of their respective Affiliates that are Affected Persons, in each case, that are payable or paid by the Administrative Agent in connection with any Transaction Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender (or its Group Agent) by the Administrative Agent shall be conclusive absent manifest error. Each Lender (other than the Conduit Lenders) hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender, its related Conduit Lender or any of their respective Affiliates that are Affected Persons under any Transaction Document or otherwise payable by the Administrative Agent to such Lender, its related Conduit Lender or any of their respective Affiliates that are Affected Persons from any other source against any amount due to the Administrative Agent under this clause (d).

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

(f) *Status of Credit Parties.* (i) Any Credit Party that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Credit Party, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Credit Party is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion,

execution and submission of such documentation (other than such documentation set forth in Sections 5.03(f)(ii)(A), 5.03(f)(ii)(B) and 5.03(g)) shall not be required if, in the Credit Party's reasonable judgment, such completion, execution or submission would subject such Credit Party to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Credit Party.

(ii) Without limiting the generality of the foregoing:

(A) any Credit Party that is a "United States Person" within the meaning of Section 7701(a)(30) of the Code, shall deliver to the Borrower and the Administrative Agent on or about the date on which such Credit Party becomes a party hereto (and from time to time upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 certifying that such Credit Party is exempt from U.S. federal backup withholding Tax;

(B) any Credit Party that is not a "United States Person" within the meaning of Section 7701(a)(30) of the Code (a " Foreign Credit Party ") shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be reasonably requested by the Borrower or the Administrative Agent) on or about the date on which such Foreign Credit Party becomes a Credit Party with respect to this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of such a Foreign Credit Party claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Transaction Document, executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Transaction Document, Internal Revenue Service Form W-8BEN or Internal Revenue Form W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of Internal Revenue Service Form W-8ECI;

(3) in the case of a Foreign Credit Party claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Foreign Credit Party is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower described in Section 881(c)(3)(C) of the Code (a " U.S. Tax Compliance Certificate ") and (y) executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E (or successor form); or

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

(C) any Foreign Credit Party, to the extent it is legally entitled to do so, shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient), on or about the date on which such Foreign Credit Party becomes a party hereto (and from time to time upon the reasonable request of the Borrower or the Administrative Agent, executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(g) *Documentation Required by FATCA.* If a payment made to a Credit Party under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Credit Party were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Credit Party shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Credit Party has complied with such Credit Party's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (g), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

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

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

(j) *Intended Tax Treatment.* Notwithstanding anything to the contrary herein or in any other Transaction Document, all parties to this Agreement covenant and agree to treat each Loan under this Agreement as debt (and all Interest as interest) for all federal, state, local and franchise tax purposes and agree not to take any position on any tax return inconsistent with the foregoing.

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

Section 5.04. Inability to Determine Euro-Rate; Change in Legality . (a) If any Group Agent shall have determined (which determination shall be conclusive and binding upon the parties hereto absent manifest error) before the first day of any Interest Period (with respect to the Euro-Rate determined by reference to Adjusted LIBOR) or on any day (with respect to the Euro-Rate determined by reference to LMIR), by reason of circumstances affecting the interbank Eurodollar market, either that: (i) dollar deposits in the relevant amounts and for the relevant Interest Period or day, as applicable, are not available, (ii) adequate and reasonable means do not exist for ascertaining the Euro-Rate for such Interest Period or day, as applicable, or (iii) the Euro-Rate determined pursuant hereto does not accurately reflect the cost to the applicable Affected Person (as conclusively determined by such Group Agent) of maintaining any Portion of Capital during such Interest Period or day, as applicable, such Group Agent shall promptly give telephonic notice of such determination, confirmed in writing, to the Borrower before the first day of any Interest Period (with respect to the Euro-Rate determined by reference to Adjusted LIBOR) or on such day (with respect to the Euro-Rate determined by reference to LMIR). Upon delivery of such notice: (i) no Portion of Capital shall be funded thereafter at the Euro-Rate unless and until such Group Agent shall have given notice to the Borrower that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then funded at the Euro-Rate, the Interest Rate with respect to such Portion of Capital shall automatically be converted to the Base Rate on the last day of the then-current Interest Period (with respect to the Euro-Rate determined by reference to Adjusted LIBOR) or immediately (with respect to the Euro-Rate determined by reference to LMIR).

(b) If, on or before the first day of any Interest Period (with respect to the Euro-Rate determined by reference to Adjusted LIBOR) or on any day (with respect to the Euro-Rate determined by reference to LMIR), any Group Agent shall have been notified by any Affected Person that such Affected Person has determined (which determination shall be final and conclusive absent manifest error) that any Change in Law, or compliance by such Affected Person with any Change in Law, shall make it unlawful or impossible for such Affected Person to fund or maintain any Portion of Capital at or by reference to the Euro-Rate, such Group Agent shall notify the Borrower and the Administrative Agent thereof. Upon receipt of such notice, until the applicable Group Agent notifies the Borrower and the Administrative Agent that the circumstances giving rise to such determination no longer apply, (i) no Portion of Capital shall be funded thereafter at the Euro-Rate unless and until such Lender shall have given notice to the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then funded at the Euro-Rate, the Interest Rate with respect to such Portion of Capital shall automatically be converted to the Base Rate on the last day of the then-current Interest Period (with respect to the Euro-Rate determined by reference to Adjusted LIBOR) or immediately (with respect to the Euro-Rate determined by reference to LMIR).

Section 5.05 Mitigation Obligations; Replacement of Lenders .

(a) If any Affected Person requests compensation under Section 5.01 , or the Borrower is required to pay any Indemnified Taxes or additional amounts to any Affected Person or any Governmental Authority for the account of any Affected Person pursuant to Section 5.03 , then such Affected Person (at the request of the Borrower) shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Affected Person, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 5.01 or 5.03 , as the case may be, in the future and (ii) would not subject such Affected Person to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Affected Person. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Affected Person in connection with any such designation or assignment.

(b) If (i) any Affected Person requests compensation under Section 5.01 , (ii) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Affected Person or any Governmental Authority for the account of any Affected Person pursuant to Section 5.03 or (iii) any Lender

becomes a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to the related Group Agent and the Administrative Agent, require such Group Agent to cause the related Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 14.03), all its interests, rights (other than its existing rights to payments pursuant to Section 5.01 or 5.03) and obligations under the Transaction Documents to an assignee that shall assume such obligations (which, in the case of a Lender, shall be an Eligible Assignee); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed, (ii) such Affected Person, if a Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 5.01 or payments required to be made pursuant to Section 5.03 , such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or an Affected Person or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 5.06. Certain Rules Relating to the Payment of Additional Amounts . (a) If any Affected Person requests compensation under Section 5.01 , or if the Borrower is required to pay any additional amount to any Affected Person or to any Governmental Authority for the account of any Affected Person pursuant to Section 5.03 , then such Affected Person shall (at the request of the Borrower) use commercially reasonable efforts to designate a different lending office for funding or booking the related Loans hereunder or to assign and delegate (or cause to be assigned and delegated) such Affected Person's rights and obligations hereunder to another office, branch or Affiliate of such Affected Person if, in the judgment of such Affected Person, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 5.01 or 5.03 , as the case may be, in the future and (ii) would not subject such Affected Person to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Affected Person. The Borrower hereby agrees to pay all reasonable out of pocket costs and expenses incurred by any Affected Person in connection with any such designation or assignment and delegation.

(b) If (i) any Affected Person requests compensation under Section 5.01 , (ii) the Borrower is required to pay any additional amount to any Affected Person or any Governmental Authority for the account of any Affected Person pursuant to Section 5.03 , (iii) any Affected Person has become a Defaulting Lender or (iv) any Affected Person has failed to consent to a proposed amendment, waiver, discharge or termination that requires the consent of all Lenders and with respect to which the other Lenders shall have or would have granted their consent, then the Borrower may, at its sole expense and effort, upon notice to the Administrative Agent, require the Administrative Agent to cause the related Affected Person to assign and delegate, without recourse (in accordance with and subject to all applicable transfer restrictions), all its interests, rights and obligations under this Agreement and the other Transaction Documents to another appropriate Person (which, in the case of a Lender, shall be an Eligible Assignee) that shall acquire such interest or assume such commitment; *provided* that (a) the Borrower shall have received the prior written consent of the Administrative Agent and the other Lenders, which consent shall not unreasonably be withheld, (b) such Affected Person, if a Lender, shall have received payment of an amount equal to its outstanding Capital and, if applicable, accrued Interest and Fees thereon and all other amounts then owing to it hereunder from the assignee or the Borrower, (c) in the case of any such assignment and delegation resulting from a claim for compensation under Section 5.01 or payments required to be made pursuant to Section 5.03 , such assignment is expected to result in a reduction in such compensation or payments for future periods and (d) in the case of any such assignment and delegation resulting from the failure of an Affected Person to provide a consent, the assignee shall have given such consent and, as a result of such assignment and delegation and any contemporaneous assignments and delegations and consents, the applicable amendment, waiver, discharge or termination can be effected. An Affected Person shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver or consent by such Affected Person or otherwise, the circumstances entitling the Borrower to require such assignment and delegation have ceased to apply.

ARTICLE VI

CONDITIONS TO EFFECTIVENESS AND CREDIT EXTENSIONS

Section 6.01. Conditions Precedent to Effectiveness and the Initial Credit Extension . This Agreement shall become effective as of the Closing Date when (a) the Administrative Agent shall have received each of the documents, agreements (in fully executed form), opinions of counsel, lien search results, UCC filings, certificates and other deliverables listed on the closing memorandum attached as Exhibit H hereto, in each case, in form and substance acceptable to the Administrative Agent and (b) all fees and expenses payable by the Borrower on the Closing Date to the Credit Parties have been paid in full in accordance with the terms of the Transaction Documents.

Section 6.02. Conditions Precedent to All Credit Extensions . Each Credit Extension hereunder on or after the Closing Date shall be subject to the conditions precedent that:

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

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

(c) the making of such Credit Extension will not result in any of the circumstances specified in Section 2.01(i) through (iv) ;

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

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

(ii) no Event of Default or Unmatured Event of Default has occurred and is continuing, and no Event of Default or Unmatured Event of Default would result from such Credit Extension;

(iii) no Borrowing Base Deficit exists or would exist after giving effect to such Credit Extension; and

(iv) the Termination Date has not occurred.

Section 6.03. Conditions Precedent to All Reinvestments . Each Reinvestment hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) after giving effect to such Reinvestment, the Servicer shall be holding in trust for the benefit of the Secured Parties an amount of Collections sufficient to pay the sum of (x) all accrued and unpaid Servicing Fees, Interest, Fees and Breakage Fees, if any, (y) the amount of any Borrowing Base Deficit and (z) the amount of all other accrued and unpaid Borrower Obligations, in each case, that will be due and owing on the next Settlement Date; and

(b) the Borrower shall use the proceeds of such Reinvestment solely to pay the purchase price for Receivables purchased by the Borrower in accordance with the terms of the Receivables Purchase Agreement; and

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

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

(ii) no Event of Default has occurred and is continuing, and no Event of Default would result from such Reinvestment; and

(iii) the Termination Date has not occurred.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

Section 7.01. Representations and Warranties of the Borrower . The Borrower represents and warrants as of the Closing Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Lender hereunder, and on each day on which a Credit Extension shall have occurred:

(a) *Organization and Good Standing.* The Borrower is a limited liability company and validly existing in good standing under the laws of the State of Delaware and has full power and authority to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Borrower is duly qualified to do business, is in good standing as a foreign entity and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Borrower (i) has all necessary power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and (C) grant a security interest in the Collateral to the Administrative Agent on the terms and subject to the conditions herein provided and (ii) has duly authorized by all necessary action such grant and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which the Borrower is a party

constitutes legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Violation.* The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents to which it is a party, and the fulfillment of the terms hereof and thereof, will not (i) result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other material agreement or instrument to which the Borrower is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument other than this Agreement and the other Transaction Documents or (iii) violate any Applicable Law.

(f) *Litigation and Other Proceedings.* (i) There is no action, suit, proceeding or investigation pending or, to the knowledge of the Borrower, threatened, against the Borrower before any Governmental Authority and (ii) the Borrower is not subject to any order, judgment, decree, injunction, stipulation or consent order of or with any Governmental Authority that, in the case of either of the foregoing clauses (i) and (ii), (A) asserts the invalidity of this Agreement or any other Transaction Document, (B) seeks to prevent the grant of a security interest in any Collateral by the Borrower to the Administrative Agent, the ownership or acquisition by the Borrower of any Pool Receivables or other Collateral or the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document, (C) seeks any determination or ruling that could materially and adversely affect the performance by the Borrower of its obligations under, or the validity or enforceability of, this Agreement or any other Transaction Document or (D) individually or in the aggregate for all such actions, suits, proceedings and investigations could reasonably be expected to have a Material Adverse Effect.

(g) *Governmental Approvals.* Except where the failure to obtain or make such authorization, consent, order, approval or action could not reasonably be expected to have a Material Adverse Effect, all authorizations, consents, orders and approvals of, or other actions by, any Governmental Authority that are required to be obtained by the Borrower in connection with the grant of a security interest in the Collateral to the Administrative Agent hereunder or the due execution, delivery and performance by the Borrower of this Agreement or any other Transaction Document to which it is a party and the consummation by the Borrower of the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party have been obtained or made and are in full force and effect.

(h) *Margin Regulations.* The Borrower is not engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meanings of Regulations T, U and X of the Board of Governors of the Federal Reserve System).

(i) *Taxes.* The Borrower has (i) timely filed or caused to be filed all tax returns (federal, state and local) required to be filed by it and (ii) paid, or caused to be paid, all taxes, assessments and other governmental charges, if any, other than (a) taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings, (b) as to which adequate reserves have been provided in accordance with GAAP or (c) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect. The Borrower is properly classified as a "disregarded entity" which is wholly and beneficially owned by a "United States person" for U.S. federal income tax purposes.

(j) *Solvency.* After giving effect to the transactions contemplated by this Agreement and the other Transaction Documents, the Borrower is Solvent.

(k) *Offices; Legal Name.* The Borrower's sole jurisdiction of organization is the State of Delaware and such jurisdiction has not changed within four months prior to the date of this Agreement. The office of the Borrower is located at the applicable address specified on Schedule III hereto. The legal name of the Borrower is Zebra Technologies RSC, LLC.

(l) *Investment Company Act.* The Borrower is not, and is not controlled by, an "investment company" within the meaning of the Investment Company Act. The Borrower is not a "covered fund" under Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder (the "Volcker Rule"). In determining that Borrower is not a "covered fund" under the Volcker Rule, although other exemptions or exclusions under the Investment Company Act may apply, the Borrower relies on the exemption from the definition of "investment company" set forth in Section 3(c)(5) of the Investment Company Act and does not rely solely on the exemption from the definition of "investment company" set forth in Section 3(c)(1) and/or 3(c)(7) of the Investment Company Act.

(m) *No Material Adverse Effect.* Since October 26, 2017 there has been no Material Adverse Effect with respect to the Borrower.

(n) *Accuracy of Information.* All Information Packages (if prepared by the Borrower or one of its Affiliates, or to the extent that the information contained therein is supplied by the Borrower or an Affiliate of the Borrower), Loan Requests, certificates, reports, statements,

documents and other information furnished to the Administrative Agent or any other Credit Party by or on behalf of the Borrower pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document, is, at the time the same are so furnished, complete and correct in all material respects on the date the same are furnished to the Administrative Agent or such other Credit Party, and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made (and taken together with all of the other information furnished to the Administrative Agent), not misleading.

(o) *Anti-Money Laundering/International Trade Law Compliance.* No Covered Entity is a Sanctioned Person. To the Borrower's knowledge, no Obligor was a Sanctioned Person at the time of origination of any Pool Receivable owing by such Obligor. None of the Borrower, the Servicer or the Originator, either in its own right or through any third party, (i) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (ii) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; or (iii) engages in any dealings or transactions prohibited by any Anti-Terrorism Law.

(p) *Transaction Information.* None of the Borrower, the Servicer, any Originator or any third party with which the Borrower has contracted, has delivered, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and has not participated in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(q) *Perfection Representations.* (i) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Borrower's right, title and interest in, to and under the Collateral which (A) security interest has been perfected and is enforceable against creditors of and purchasers from the Borrower and (B) will be free of all Adverse Claims in such Collateral.

(ii) The Receivables constitute "accounts" or "general intangibles" within the meaning of Section 9-102 of the UCC.

(iii) The Borrower owns and has good and marketable title to the Collateral free and clear of any Adverse Claim of any Person.

(iv) All appropriate financing statements, financing statement amendments and continuation statements have been filed in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect (and continue the perfection of) the sale of the Receivables and Related Security from each Originator to the Borrower pursuant to the Receivables Purchase Agreement and the Administrative Agent's security interest in the Collateral.

(v) Other than the security interest granted to the Administrative Agent pursuant to this Agreement, the Borrower has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral except as permitted by this Agreement and the other Transaction Documents. The Borrower has not authorized the filing of and is not aware of any financing statements filed against the Borrower that include a description of collateral covering the Collateral other than any financing statement (i) in favor of the Administrative Agent or (ii) that has been terminated. The Borrower is not aware of any judgment lien, ERISA lien or tax lien filings against the Borrower.

(vi) Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section 7.01(q) shall be continuing and shall remain in full force and effect until the Final Payout Date.

(r) *The Lock-Boxes and Collection Accounts.*

(i) *Nature of Collection Accounts.* Each Collection Account constitutes a "deposit account" within the meaning of the applicable UCC.

(ii) *Ownership.* Each Lock-Box and Collection Account is in the name of the Borrower, and the Borrower owns and has good and marketable title to the Collection Accounts free and clear of any Adverse Claim.

(iii) *Perfection.* The Borrower has delivered to the Administrative Agent a fully executed Account Control Agreement relating to each Lock-Box and Collection Account, pursuant to which each applicable Collection Account Bank has agreed to comply with the instructions originated by the Administrative Agent directing the disposition of funds in such Lock-Box and Collection Account without further consent by the Borrower, the Servicer or any other Person. The Administrative Agent has "control" (as defined in § 9-104 of the UCC) over each Collection Account.

(iv) *Instructions.* Neither the Lock-Boxes nor the Collection Accounts are in the name of any Person other than the Borrower. Neither the Borrower nor the Servicer has consented to the applicable Collection Account Bank complying with instructions of any Person other than the Administrative Agent.

(s) *Ordinary Course of Business.* Each remittance of Collections by or on behalf of the Borrower to the Credit Parties under this Agreement will have been (i) in payment of a debt incurred by the Borrower in the ordinary course of business or financial affairs of the Borrower and (ii) made in the ordinary course of business or financial affairs of the Borrower.

(t) *Compliance with Law.* The Borrower has complied with all Applicable Laws to which it may be subject, except where the failure to do so, could not reasonably be expected to result in a Material Adverse Effect.

(u) *Bulk Sales Act.* No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law.

(v) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(w) *Opinions.* The facts regarding the Borrower, the Servicer, each Originator, the Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in each of the opinions of counsel delivered in connection with this Agreement and the Transaction Documents are true and correct in all material respects.

(x) *Other Transaction Documents.* Each representation and warranty made by the Borrower under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made, unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date.

(y) *Liquidity Coverage Ratio* . The Borrower has not, does not and will not during this Agreement (x) issue any obligations that (A) constitute asset-backed commercial paper, or (B) are securities required to be registered under the Securities Act or that may be offered for sale under Rule 144A or a similar exemption from registration under the Securities Act or the rules promulgated thereunder, or (y) issue any other debt obligations or equity interest other than debt obligations substantially similar to the obligations of the Borrower under this Agreement that are (A) issued to other banks or asset-backed commercial paper conduits in privately negotiated transactions, and (B) subject to transfer restrictions substantially similar to the transfer restrictions set forth in this Agreement. The Borrower further represents and warrants that its assets and liabilities are consolidated with the assets and liabilities of Zebra for purposes of generally accepted accounting principles.

(z) *Events of Default* . No Event of Default or Unmatured Event of Default has occurred and is continuing.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section 7.01 shall be continuing, and remain in full force and effect until the Final Payout Date.

Section 7.02. Representations and Warranties of the Servicer . The Servicer represents and warrants as of the Closing Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Lender hereunder, and on each day on which a Credit Extension shall have occurred:

(a) *Organization and Good Standing.* The Servicer is a duly organized and validly existing limited liability company in good standing under the laws of the State of Illinois, with the power and authority under its organizational documents and under the laws of the State of Illinois to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Servicer is duly qualified to do business, is in good standing as a foreign entity and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business or the servicing of the Pool Receivables as required by this Agreement requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Servicer has all necessary power and authority to (i) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (ii) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party have been duly authorized by the Servicer by all necessary action.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which it is a party constitutes legal, valid and binding obligations of the Servicer, enforceable against the Servicer in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Violation.* The execution and delivery of this Agreement and each other Transaction Document to which the Servicer is a party, the performance of the transactions contemplated by this Agreement and the other Transaction Documents and the fulfillment of the terms of this Agreement and the other Transaction Documents by the Servicer will not (i) result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, the organizational documents of the Servicer or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust or other material agreement or instrument to which the Servicer is a party or by which it or any of its property is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of its properties pursuant to the terms of any such indenture, credit agreement, loan agreement, agreement, mortgage, deed of trust or other agreement or

instrument, other than this Agreement and the other Transaction Documents or (iii) violate any Applicable Law, except to the extent that any such breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(f) *Litigation and Other Proceedings.* There is no action, suit, proceeding or investigation pending, or to the Servicer's knowledge threatened, against the Servicer before any Governmental Authority: (i) asserting the invalidity of this Agreement or any of the other Transaction Documents; (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document; or (iii) seeking any determination or ruling that could materially and adversely affect the performance by the Servicer of its obligations under, or the validity or enforceability of, this Agreement or any of the other Transaction Documents, except, in each case that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(g) *No Consents.* The Servicer is not required to obtain the consent of any other party or any consent, license, approval, registration, authorization or declaration of or with any Governmental Authority in connection with the execution, delivery, or performance of this Agreement or any other Transaction Document to which it is a party that has not already been obtained or the failure of which to obtain could not reasonably be expected to have a Material Adverse Effect.

(h) *Compliance with Applicable Law.* The Servicer (i) has maintained in effect all qualifications required under Applicable Law in order to properly service the Pool Receivables and (ii) has complied in all material respects with all Applicable Law in connection with servicing the Pool Receivables.

(i) *Accuracy of Information.* All Information Packages (if prepared by the Servicer or one of its Affiliates, or to the extent that information therein is supplied by the Servicer or an Affiliate of the Servicer), Loan Requests, certificates, reports, statements, documents and other information furnished to the Administrative Agent or any other Credit Party by the Servicer pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document, is, at the time the same are so furnished, complete and correct in all material respects on the date the same are furnished to the Administrative Agent or such other Credit Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(j) *Location of Records.* The offices where the initial Servicer keeps all of its records relating to the servicing of the Pool Receivables are located at 3 Overlook Point, Lincolnshire, Illinois 60069.

(k) *Credit and Collection Policy.* The Servicer has complied in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contracts.

(l) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(m) *Servicing Programs.* No license or approval is required for the Administrative Agent's use of any software or other computer program used by the Servicer, any Originator or any Sub-Servicer in the servicing of the Pool Receivables, other than those which have been obtained and are in full force and effect.

(n) *Servicing of Pool Receivables.* Since the Closing Date there has been no material adverse change in the ability of the Servicer or any Sub-Servicer to service and collect the Pool Receivables and the Related Security.

(o) *Other Transaction Documents.* Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party (including, without limitation, each Receivables Purchase Agreement) is true and correct in all material respects as of the date when made.

(p) *No Material Adverse Effect.* Since September 30, 2017 there has been no Material Adverse Effect with respect to the Servicer.

(q) *Investment Company Act.* The Servicer is not an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act.

(r) *Anti-Money Laundering/International Trade Law Compliance.* No Covered Entity is a Sanctioned Person. To the Servicer's knowledge, no Obligor was a Sanctioned Person at the time of origination of any Pool Receivable owing by such Obligor. None of the Borrower, the Servicer or the Originator (i) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (ii) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; or (iii) engages in any dealings or transactions prohibited by any Anti-Terrorism Law.

(s) *Transaction Information.* None of the Servicer, the Borrower, any Originator or any third party with which the Servicer has contracted, has delivered, in writing or orally, to any Rating Agency, or monitoring a rating of, any Notes, any Transaction Information without

providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and has not participated in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(t) *Financial Condition.* The consolidated balance sheets of the Servicer and its consolidated Subsidiaries as of September 30, 2017 and the related statements of income and shareholders' equity of the Servicer and its consolidated Subsidiaries for the fiscal quarter then ended, copies of which have been furnished to the Administrative Agent and the Group Agents, present fairly in all material respects the consolidated financial position of the Servicer and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes.

(u) *Bulk Sales Act.* No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law.

(v) *Taxes.* The Servicer has (i) timely filed or caused to be filed all tax returns (federal, state and local) required to be filed by it and (ii) paid, or caused to be paid, all taxes, assessments and other governmental charges, if any, other than (a) taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings, (b) as to which adequate reserves have been provided in accordance with GAAP or (c) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect.

(w) *Opinions.* The facts regarding the Borrower, the Servicer, each Originator, the Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in each of the opinions of counsel delivered in connection with this Agreement and the Transaction Documents are true and correct in all material respects.

(x) *Events of Default* . No Event of Default or Unmatured Event of Default has occurred and is continuing.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section 7.02 shall be continuing, and remain in full force and effect until the Final Payout Date.

ARTICLE VIII

COVENANTS

Section 8.01. Covenants of the Borrower . At all times from the Closing Date until the Final Payout Date:

(a) *Payment of Principal and Interest.* The Borrower shall duly and punctually pay Capital, Interest, Fees and all other amounts payable by the Borrower hereunder in accordance with the terms of this Agreement.

(b) *Existence.* The Borrower shall keep in full force and effect its existence and rights as a limited liability company under the laws of the State of Delaware, and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents and the Collateral.

(c) *Financial Reporting.* The Borrower will maintain a system of accounting established and administered in accordance with GAAP, and the Borrower (or the Servicer on its behalf) shall furnish to the Administrative Agent and each Group Agent:

(i) *Annual Financial Statements of the Borrower.* Promptly upon completion and in no event later than 90 days after the close of each fiscal year of the Borrower, annual unaudited financial statements of the Borrower certified by a Financial Officer of the Borrower that they fairly present in all material respects, in accordance with GAAP, the financial condition of the Borrower as of the date indicated and the results of its operations for the periods indicated.

(ii) *Information Packages.* (x) As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month, and (y) at the request of any Lender following a downgrade of the Performance Guarantor's long-term credit rating to below Ba3/BB-, an Information Package as of the most recently completed Fiscal Month covering the most recently completed Fiscal Month or such other period as may be requested by such Lender on such frequency as may be requested by such Lender.

(iii) *Other Information.* Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(iv) *Quarterly Financial Statements of Zebra.* As soon as available and in no event later than 45 days following the end of each of the first three fiscal quarters in each of Zebra' fiscal years, the unaudited consolidated balance sheet and statements of income of Zebra and its consolidated Subsidiaries as at the end of such fiscal quarter and the related unaudited consolidated statements of earnings and cash flows for such fiscal quarter and for the elapsed portion of the fiscal year ended with the last day of such fiscal quarter, in each case setting forth comparative figures for the corresponding fiscal quarter in the prior fiscal year, all of which shall be certified by a Financial Officer of Zebra that they fairly present in all material respects, in accordance with GAAP, the financial condition of Zebra and its

consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes.

(v) *Annual Financial Statements of Zebra.* Within 90 days after the close of each of Zebra' fiscal years, the consolidated balance sheet of Zebra and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of earnings and cash flows for such fiscal year setting forth comparative figures for the preceding fiscal year, all reported on by independent certified public accountants of recognized national standing (without a "going concern" or like qualification or exception) to the effect that such consolidated financial statements present fairly in all material respects, in accordance with GAAP, the financial condition of Zebra and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated.

(vi) *Other Reports and Filings.* Promptly (but in any event within 10 days) after the filing or delivery thereof, copies of all financial information, proxy materials, reports, if any, which Zebra or any of its consolidated Subsidiaries shall publicly file with the SEC or deliver to holders (or any trustee, agent or other representative therefor) of any of its material Debt pursuant to the terms of the documentation governing the same.

(d) *Notices.* The Borrower (or the Servicer on its behalf) will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than two (2) Business Days after (other than with respect to clause (v) below)) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Default or Unmatured Events of Default.* A statement of a Financial Officer of the Borrower setting forth details of any Event of Default or Unmatured Event of Default of which the Borrower or the Servicer has knowledge and that is continuing and the action which the Borrower has taken or proposes to take with respect thereto.

(ii) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Borrower under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding on the Borrower, the Servicer or any Originator, which with respect to any Person other than the Borrower that, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim* . (A) Any Person shall obtain an Adverse Claim upon any material portion of the Collateral, (B) any Person other than the Borrower, the Servicer or the Administrative Agent shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Borrower, the Originators at the request of the Borrower, the Servicer or the Administrative Agent.

(v) *Name Changes* . At least thirty (30) days before any change in any Originator's or the Borrower's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof.

(vi) *Change in Accountants or Accounting Policy* . Any change in (i) the external accountants of the Borrower, the Servicer, any Originator, or the Performance Guarantor, (ii) any material accounting policy of the Borrower or (iii) any material accounting policy of any Originator that is relevant to the transactions contemplated by this Agreement or any other Transaction Document (it being understood that any change to the manner in which any Originator accounts for the Pool Receivables shall be deemed "material" for such purpose).

(vii) *Material Adverse Change* . Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to the Borrower, the Servicer, any Originator, or the Performance Guarantor of which the Borrower or the Servicer, as applicable, has actual knowledge.

(e) *Conduct of Business* . The Borrower will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic organization in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except where the failure to maintain such authority could not reasonably be expected to have a Material Adverse Effect.

(f) *Compliance with Laws* . The Borrower will comply with all Applicable Laws to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(g) *Furnishing of Information and Inspection of Receivables* . The Borrower will furnish or cause to be furnished to the

Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Collateral as the Administrative Agent or any Group Agent may reasonably request. The Borrower will, at the Borrower's expense, during regular business hours with reasonable prior written notice of at least 48 hours (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Collateral, (B) visit the offices and properties of the Borrower for the purpose of examining such books and records and (C) discuss matters relating to the Pool Receivables, the other Collateral or the Borrower's performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Borrower having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Borrower's expense, upon reasonable prior written notice of at least 48 hours from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to such Pool Receivables and other Collateral; *provided,* that the Borrower shall be required to reimburse the Administrative Agent and any Group Agent for only one (1) such review pursuant to clause (i) and (ii) above in any twelve-month period, unless an Event of Default has occurred and is continuing.

(h) *Payments on Receivables, Collection Accounts* . The Borrower (or the Servicer on its behalf) will, and will cause each Originator to, at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Borrower (or the Servicer on its behalf) will, and will cause each Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Borrower (other than in a Collection Account), the Servicer or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account. The Borrower (or the Servicer on its behalf) will use commercially reasonable efforts to cause each Collection Account Bank to comply with the terms of each applicable Account Control Agreement. At all times after the Closing Date, the Borrower shall not permit funds other than Collections on Pool Receivables and other Collateral to be deposited into any Collection Account. If such funds are nevertheless deposited into any Collection Account, the Borrower (or the Servicer on its behalf) will within two (2) Business Days identify and transfer such funds to the appropriate Person entitled to such funds. At all times after the Closing Date, the Borrower will not, and will not permit the Servicer, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds. The Borrower shall only add a Collection Account (or a related Lock-Box) or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance reasonably acceptable to the Administrative Agent from the applicable Collection Account Bank. The Borrower shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, conditioned or delayed.

(i) *Sales, Liens, etc* . Except as otherwise provided herein, the Borrower will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any Pool Receivable or other Collateral, or assign any right to receive income in respect thereof.

(j) *Extension or Amendment of Pool Receivables* . Except as otherwise permitted in Section 9.02 , the Borrower will not, and will not permit the Servicer to, alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Borrower shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(k) *Change in Credit and Collection Policy* . The Borrower will not make any material change in the Credit and Collection Policy without the prior written consent of the Administrative Agent and the Majority Group Agents, which consent shall not be unreasonably withheld, conditioned or delayed. Promptly following any change in the Credit and Collection Policy, the Borrower will deliver a copy of the updated Credit and Collection Policy to the Administrative Agent and each Group Agent.

(l) *Fundamental Changes* . The Borrower shall not, without the prior written consent of the Administrative Agent and the Majority Group Agents, permit itself (i) to merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person or (ii) to be directly owned by any Person other than an Originator. The Borrower shall provide the Administrative Agent with at least 30 days' prior written notice before making any change in the Borrower's name or location or making any other change in the Borrower's identity or corporate structure that could impair or otherwise render any UCC financing statement filed in connection with this Agreement or any other Transaction Document "seriously misleading" as such term (or similar term) is used in the applicable UCC; each notice to the Administrative Agent and the Group Agents pursuant to this sentence shall set forth the applicable change and the proposed effective date thereof.

(m) *Books and Records* . The Borrower shall maintain and implement (or cause the Servicer to maintain and implement) administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records,

computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(n) *Identifying of Records* . The Borrower shall: (i) identify (or cause the Servicer to identify) its master data processing records relating to Pool Receivables and related Contracts with a legend that indicates that the Pool Receivables have been pledged in accordance with this Agreement and (ii) cause each Originator so to identify its master data processing records with such a legend.

(o) *Change in Payment Instructions to Obligors* . The Borrower shall not (and shall not permit the Servicer or any Sub-Servicer to) add, replace or terminate any Collection Account (or any related Lock-Box) or make any change in its (or their) instructions to the Obligors regarding payments to be made to the Collection Accounts (or any related Lock-Box), other than any instruction to remit payments to a different Collection Account (or any related Lock-Box), unless the Administrative Agent shall have received (i) prior written notice of such addition, termination or change and (ii) a signed and acknowledged Account Control Agreement (or an amendment thereto) with respect to such new Collection Account (or any related Lock-Box), and, solely with respect to the replacement or termination of a Collection Account, the Administrative Agent shall have consented to such change in writing, such consent not to be unreasonably withheld, conditioned or delayed.

(p) *Security Interest, Etc* . The Borrower shall (and shall cause the Servicer to), at its expense, take all action necessary to establish and maintain a valid and enforceable first priority perfected security interest in the Collateral, in each case free and clear of any Adverse Claim, in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Borrower shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Borrower shall, from time to time and within the time limits established by applicable law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Borrower to file such financing statements under the UCC without the signature of the Borrower, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Borrower shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent, except as set forth in Section 3.01(c) hereof.

(q) *Certain Agreements* . Other than in connection with the Final Payout Date, without the prior written consent of the Administrative Agent and the Majority Group Agents, the Borrower will not (and will not permit any Originator or the Servicer to) amend, modify, waive, revoke or terminate any Transaction Document to which it is a party or any provision of the Borrower's organizational documents which requires the consent of the "Independent Manager" (as such term is used in the Borrower's Operating Agreement).

(r) *Restricted Payments* . (i) Except pursuant to clause (ii) below, the Borrower will not: (A) purchase or redeem any of its membership interests, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt (other than any Borrower Obligations), (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as " Restricted Payments ").

(ii) Subject to the limitations set forth in clause (iii) below, the Borrower may make Restricted Payments so long as such Restricted Payments are made only in the following way: the Borrower may declare and pay dividends if, both immediately before and immediately after giving effect thereto, the Borrower's Net Worth is not less than the Required Capital Amount.

(iii) The Borrower may make Restricted Payments only out of the funds, if any, it receives pursuant to Section 4.01 of this Agreement; *provided* that the Borrower shall not pay, make or declare any Restricted Payment (including any dividend) if, after giving effect thereto, any Event of Default or Unmatured Event of Default shall have occurred and be continuing.

(s) *Other Business* . The Borrower will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents, (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or bankers' acceptances) other than pursuant to this Agreement or the other Transaction Documents or (iii) form any Subsidiary or make any investments in any other Person.

(t) *Use of Collections Available to the Borrower* . The Borrower shall apply the Collections available to the Borrower to make payments in the following order of priority: (i) the payment of its obligations under this Agreement and each of the other Transaction Documents and (ii) other legal and valid purposes.

(u) *Further Assurances; Change in Name or Jurisdiction of Origination, etc.* (i) The Borrower hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents, and to take all

further actions, that may be reasonably necessary, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Administrative Agent (on behalf of the Secured Parties) to exercise and enforce the Secured Parties' rights and remedies under this Agreement and the other Transaction Documents. Without limiting the foregoing, the Borrower hereby authorizes, and will, upon the request of the Administrative Agent, at the Borrower's own expense, execute (if necessary) and file such financing statements or continuation statements, or amendments thereto, and such other instruments and documents, that may be reasonably necessary, or that the Administrative Agent may reasonably request, to perfect, protect or evidence any of the foregoing.

(ii) The Borrower authorizes the Administrative Agent to file financing statements, continuation statements and amendments thereto and assignments thereof, relating to the Receivables, the Related Security, the related Contracts, Collections with respect thereto and the other Collateral without the signature of the Borrower. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(iii) The Borrower shall at all times be organized under the laws of the State of Delaware and shall not take any action to change its jurisdiction of organization.

(iv) The Borrower will not change its name, location, identity or corporate structure unless (x) the Borrower, at its own expense, shall have taken all action necessary or appropriate to perfect or maintain the perfection of the security interest under this Agreement (including, without limitation, the filing of all financing statements and the taking of such other action as the Administrative Agent may reasonably request in connection with such change or relocation) and (y) if requested by the Administrative Agent, the Borrower shall cause to be delivered to the Administrative Agent, an opinion, in form and substance reasonably satisfactory to the Administrative Agent as to such UCC perfection and priority matters as the Administrative Agent may request at such time.

(v) *OFAC* . The Borrower has not used and will not use the proceeds of any Credit Extension to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Person or a Sanctioned Country.

(w) *Anti-Money Laundering/International Trade Law Compliance* . The Borrower will not become a Sanctioned Person. None of the Borrower, the Servicer or the Originator, either in its own right or through any third party, will (a) have any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) do business in or with, or derive any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; (c) engage in any dealings or transactions prohibited by any Anti-Terrorism Law or (d) use the proceeds of any Credit Extension to fund any operations in, finance any investments or activities in, or, make any payments to, a Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law. The funds used to repay each Credit Extension will not be derived from any unlawful activity. The Borrower shall comply with all Anti-Terrorism Laws applicable to it. The Borrower shall promptly notify the Administrative Agent and each Lender in writing upon the occurrence of a Reportable Compliance Event.

(x) *Transaction Information* . None of the Borrower, the Servicer, any Originator or any third party with which the Borrower has contracted, shall deliver, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency and will not participate in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(y) *Borrower's Net Worth* . The Borrower shall not permit the Borrower's Net Worth to be less than the Required Capital Amount, *provided,* that the foregoing shall not require Zebra to make any additional capital contributions to the Borrower.

(z) *Credit Risk Retention.* The Borrower shall cooperate with each Lender (including by providing such information and entering into or delivering such additional agreements or documents reasonably requested by such Lender or its Group Agent) to the extent reasonably necessary to assure such Lender that the Originators retain credit risk in the amount and manner required by the Credit Risk Retention Rules and to permit such Lender to perform its due diligence and monitoring obligations (if any) under the Credit Risk Retention Rules.

(aa) *Minimum Funding Threshold* . The Borrower shall not permit Aggregate Capital to be less than the Minimum Funding Threshold.

(bb) *Payment of Obligations; Tax Status* . The Borrower will pay, discharge or otherwise satisfy as the same shall become due and payable, all of its obligations and liabilities, including Tax liabilities, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect. The Borrower shall maintain its status as a "disregarded entity" which is wholly beneficially owned by a "United States person" for U.S. federal income tax purposes.

Section 8.02. Covenants of the Servicer . At all times from the Closing Date until the Final Payout Date:

(a) *Financial Reporting* . The Servicer will maintain a system of accounting established and administered in accordance with

GAAP, and the Servicer shall furnish to the Administrative Agent and each Group Agent:

(i) *Compliance Certificates* . (a) A compliance certificate promptly upon delivery to the Administrative Agent and each Group Agent of the audited financial statements pursuant to Section 8.01(c)(v) and in no event later than 90 days after the close of the Servicer's fiscal year, in form and substance substantially similar to Exhibit G signed by A Financial Officer of the Servicer solely in his or her capacity as an officer of the Servicer stating that no Event of Default or Unmatured Event of Default has occurred and is continuing, or if any Event of Default or Unmatured Event of Default has occurred and is continuing, stating the nature and status thereof and (b) within 45 days after the close of each fiscal quarter of the Servicer, a compliance certificate in form and substance substantially similar to Exhibit G signed by a Financial Officer of the Servicer solely in his or her capacity as an officer of the Servicer stating that no Event of Default or Unmatured Event of Default has occurred and is continuing, or if any Event of Default or Unmatured Event of Default has occurred and is continuing, stating the nature and status thereof.

(ii) *Information Packages* . (x) As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month, and (y) at the request of any Lender following a downgrade of the Performance Guarantor's long-term credit rating to below Ba3/BB-, an Information Package as of the most recently completed Fiscal Month covering the most recently completed Fiscal Month or such other period as may be requested by such Lender on such frequency as may be requested by such Lender.

(iii) *Other Information* . Such other information regarding the operations, business affairs and financial conditions as the Administrative Agent or any Group Agent may from time to time reasonably request, including any information available to the Borrower, the Servicer or any Originator as the Administrative Agent or any Group Agent may reasonably request.

(iv) Notwithstanding anything herein to the contrary, any financial information, proxy statements or other material required to be delivered pursuant to this paragraph (a) shall be deemed to have been furnished to each of the Administrative Agent and each Group Agent on the date that such report, proxy statement or other material is posted on the SEC's website at www.sec.gov.

(b) *Notices* . The Servicer will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than two (2) Business Days after (other than with respect to clause (v) below)) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps taken or being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Default or Unmatured Events of Default* . A statement of a Financial Officer of the Servicer setting forth details of any Event of Default or Unmatured Event of Default that has occurred and is continuing and the action which the Servicer has taken or proposes to take with respect thereto.

(ii) *Representations and Warranties* . The failure of any representation or warranty made or deemed made by the Servicer under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation* . The institution of any litigation, arbitration proceeding or governmental proceeding which could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim* . (A) Any Person shall obtain an Adverse Claim upon the Collateral or any material portion thereof, (B) any Person other than the Borrower, the Servicer or the Administrative Agent shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Borrower, the Servicer or the Administrative Agent.

(v) *Name Changes* . At least thirty (30) days before any change in any Originator's or the Borrower's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof.

(vi) *Change in Accountants or Accounting Policy* . Any change in (i) the external accountants of the Borrower, the Servicer, any Originator or the Performance Guarantor, (ii) any accounting policy of the Borrower or (iii) any material accounting policy of any Originator that is relevant to the transactions contemplated by this Agreement or any other Transaction Document (it being understood that any change to the manner in which any Originator accounts for the Pool Receivables shall be deemed "material" for such purpose).

(vii) *Material Adverse Change* . Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to the Servicer, the Borrower, the Performance Guarantor or any Subsidiary of the Servicer that is an Originator.

(c) *Conduct of Business* . The Servicer will do all things necessary to remain duly organized, validly existing and in good standing as a domestic organization in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction

in which its business is conducted if the failure to have such authority could reasonably be expected to have a Material Adverse Effect.

(d) *Compliance with Laws* . The Servicer will comply with all Applicable Laws to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect. The Servicer shall service the Receivables in accordance with the terms hereof and the terms of the related Contracts.

(e) *Furnishing of Information and Inspection of Receivables* . The Servicer will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Collateral as the Administrative Agent or any Group Agent may reasonably request. The Servicer will, at the Servicer's expense, during regular business hours with reasonable prior written notice of at least 48 hours, (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Collateral, (B) visit the offices and properties of the Servicer for the purpose of examining such books and records and (C) discuss matters relating to the Pool Receivables, the other Collateral or the Servicer's performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Servicer (*provided* that representatives of the Servicer are present during such discussions) having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Servicer's expense, upon reasonable prior written notice of at least 48 hours from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to the Pool Receivables and other Collateral; *provided,* that the Servicer shall be required to reimburse the Administrative Agent or a Group Agent, as applicable, for only one (1) such review pursuant to clause (i) or (ii) above in any twelve-month period unless an Event of Default has occurred and is continuing.

(f) *Payments on Receivables, Collection Accounts* . The Servicer will at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Servicer will, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Borrower (other than in a Collection Account), the Servicer or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account. At all times after the Closing Date, the Servicer shall not permit funds other than Collections on Pool Receivables and other Collateral to be deposited into any Collection Account. If such funds are nevertheless deposited into any Collection Account, the Servicer will within two (2) Business Days identify and transfer such funds to the appropriate Person entitled to such funds. The Servicer will not, and will not permit the Borrower, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds. At all times after the Closing Date, the Servicer shall only add a Collection Account (or a related Lock-Box), or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance reasonably acceptable to the Administrative Agent from the applicable Collection Account Bank. The Servicer shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, conditioned or delayed.

(g) *Extension or Amendment of Pool Receivables* . Except as otherwise permitted in Section 9.02 , the Servicer will not alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Servicer shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(h) *Change in Credit and Collection Policy* . The Servicer will not make any material change in the Credit and Collection Policy without the prior written consent of the Administrative Agent and the Majority Group Agents, which consent shall not be unreasonably withheld, conditioned or delayed. Promptly following any change in the Credit and Collection Policy, the Servicer will deliver a copy of the updated Credit and Collection Policy to the Administrative Agent and each Group Agent.

(i) *Records* . The Servicer will maintain and implement administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(j) *Identifying of Records* . The Servicer shall identify its master data processing records relating to Pool Receivables and related Contracts with a legend that indicates that the Pool Receivables have been pledged in accordance with this Agreement.

(k) *Change in Payment Instructions to Obligors* . The Servicer shall not (and shall not permit any Sub-Servicer to) add, replace or terminate any Collection Account (or any related Lock-Box) or make any change in its instructions to the Obligors regarding payments to be made to the Collection Accounts (or any related Lock-Box), other than any instruction to remit payments to a different Collection Account (or

any related Lock-Box), unless the Administrative Agent shall have received (i) prior written notice of such addition, termination or change and (ii) signed and acknowledged Account Control Agreements with respect to such new Collection Accounts (or any related Lock-Box) and, solely with respect to the replacement or termination of a Collection Account (or any related Lock-Box) the Administrative Agent shall have consented to such change in writing, which consent shall not be unreasonably withheld, conditioned or delayed.

(l) *Security Interest, Etc* . The Servicer shall, at its expense, take all action reasonably necessary to establish and maintain a valid and enforceable first priority perfected security interest in the Collateral, in each case free and clear of any Adverse Claim in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Servicer shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Servicer shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Servicer to file such financing statements under the UCC without the signature of the Borrower, any Originator or the Administrative Agent where allowed by Applicable Law. Except in connection with the Final Payout Date, notwithstanding anything else in the Transaction Documents to the contrary, the Servicer shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(m) *Further Assurances* . The Servicer hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents that the Administrative Agent may reasonably request, and to take all further actions, that may be reasonably necessary, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Administrative Agent (on behalf of the Secured Parties) to exercise and enforce their respective rights and remedies under this Agreement or any other Transaction Document. Without limiting the foregoing, the Servicer hereby authorizes, and will, upon the request of the Administrative Agent, at the Servicer's own expense, execute (if necessary) and file such financing statements or continuation statements, or amendments thereto, and such other instruments and documents, that may be reasonably necessary, or that the Administrative Agent may reasonably request, to perfect, protect or evidence any of the foregoing.

(n) *Transaction Information* . None of the Servicer, the Borrower, any Originator or any third party contracted by the Servicer, shall deliver, in writing or orally, to any Rating Agency, any Transaction Information without providing such Transaction Information to the applicable Group Agent prior to delivery to such Rating Agency, and will not participate in any oral communications with respect to Transaction Information with any Rating Agency without the participation of such Group Agent.

(o) *Anti-Money Laundering/International Trade Law Compliance* . The Servicer will not become a Sanctioned Person. None of the Borrower, the Servicer or the Originator, either in its own right or through any third party, will (a) have any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) do business in or with, or derive any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; (c) engage in any dealings or transactions prohibited by any Anti-Terrorism Law or (d) use the proceeds of any Credit Extension to fund any operations in, finance any investments or activities in, or, make any payments to, a Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law. The funds used to repay each Credit Extension will not be derived from any unlawful activity. The Servicer shall comply with all Anti-Terrorism Laws applicable to it. The Servicer shall promptly notify the Administrative Agent and each Lender in writing upon the occurrence of a Reportable Compliance Event.

(p) *Credit Risk Retention* . The Servicer shall, and shall cause each Originator to, cooperate with each Lender (including by providing such information and entering into or delivering such additional agreements or documents reasonably requested by such Lender or its Group Agent) to the extent reasonably necessary to assure such Lender that the Originators retain credit risk in the amount and manner required by the Credit Risk Retention Rules and to permit such Lender to perform its due diligence and monitoring obligations (if any) under the Credit Risk Retention Rules.

Section 8.03. Separate Existence of the Borrower . Each of the Borrower and the Servicer hereby acknowledges that the Secured Parties, the Group Agents and the Administrative Agent are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Borrower's identity as a legal entity separate from any Originator, the Servicer and their Affiliates. Therefore, each of the Borrower and Servicer shall take all steps specifically required by this Agreement or reasonably required by the Administrative Agent or any Group Agent to continue the Borrower's identity as a separate legal entity and to make it apparent to third Persons that the Borrower is an entity with assets and liabilities distinct from those of the Originators, the Servicer and any other Person, and is not a division of the Originators, the Servicer, its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to and consistent with the other covenants set forth herein, each of the

Borrower and the Servicer shall take such actions as shall be required in order that:

(a) *Special Purpose Entity* . The Borrower will be a special purpose company whose primary activities are restricted in its Operating Agreement to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, granting security interests or selling interests in the Collateral, (ii) entering into agreements for the selling, servicing and financing of the Receivables Pool (including the Transaction Documents) and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities.

(b) *No Other Business or Debt* . The Borrower shall not engage in any business or activity except as set forth in this Agreement or in its organizational documents nor, incur any indebtedness or liability other than the Borrower Obligations and as expressly permitted by the Transaction Documents.

(c) *Independent Manager* . Not fewer than one member of the Borrower's board of managers (the " Independent Manager ") shall be a natural person who (i) has never been, and shall at no time be, an equityholder, director, officer, manager, member, partner, officer, employee or associate, or any relative of the foregoing, of any member of the Zebra Group (as hereinafter defined) (other than his or her service as an Independent Manager of the Borrower or an independent director or manager of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Zebra Group), (ii) is not a customer or supplier of any member of the Zebra Group (other than his or her service as an Independent Manager of the Borrower or an independent director or manager of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Zebra Group), (iii) is not any member of the immediate family of a person described in clauses (i) or (ii) above, and (iv) has (x) prior experience as an independent director or manager for a corporation or limited liability company whose organizational or charter documents required the unanimous consent of all independent directors or managers thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (y) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities. For purposes of this clause (c) , " Zebra Group " shall mean (i) the Servicer, the Performance Guarantor and each Originator, (ii) each person that directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, five percent (5%) or more of the ownership in Zebra, (iii) each person that controls, is controlled by or is under common control with Zebra and (iv) each of such person's officers, directors, managers, joint venturers and partners. For the purposes of this definition, " *control* " of a person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise. A person shall be deemed to be an "associate" of (A) a corporation or organization of which such person is an officer, director, partner or manager or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities, (B) any trust or other estate in which such person serves as trustee or in a similar capacity and (C) any relative or spouse of a person described in clause (A) or (B) of this sentence, or any relative of such spouse.

The Borrower shall (A) give written notice to the Administrative Agent of the election or appointment, or proposed election or appointment, of a new Independent Manager of the Borrower, which notice shall be given not later than ten (10) Business Days prior to the date such appointment or election would be effective (except when such election or appointment is necessary to fill a vacancy caused by the death, disability, or incapacity of the existing Independent Manager, or the failure of such Independent Manager to satisfy the criteria for an Independent Manager set forth in this clause (c) , in which case the Borrower shall provide written notice of such election or appointment within one (1) Business Day) and (B) with any such written notice, certify to the Administrative Agent that the Independent Manager satisfies the criteria for an Independent Manager set forth in this clause (c) .

The Borrower's Operating Agreement shall provide that: (A) the Borrower's board of managers shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Borrower unless the Independent Manager shall approve the taking of such action in writing before the taking of such action and (B) such provision and each other provision requiring an Independent Manager cannot be amended without the prior written consent of the Independent Manager.

The Independent Manager shall not at any time serve as a trustee in bankruptcy for the Borrower, the Performance Guarantor, any Originator, the Servicer or any of their respective Affiliates.

(d) *Organizational Documents* . The Borrower shall maintain its organizational documents in conformity with this Agreement, such that it does not amend, restate, supplement or otherwise modify its ability to comply with the terms and provisions of any of the Transaction Documents, including, without limitation, Section 8.01(q) .

(e) *Conduct of Business* . The Borrower shall conduct its affairs strictly in accordance with its organizational documents and observe all necessary, appropriate and customary company formalities, including, but not limited to, holding all regular and special members' and board of managers' meetings appropriate to authorize all corporate action, keeping separate and accurate minutes of its meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and intercompany transaction accounts.

(f) *Compensation* . Any employee, consultant or agent of the Borrower will be compensated from the Borrower's funds for

services provided to the Borrower, and to the extent that Borrower shares the same officers or other employees as the Servicer (or any other Affiliate thereof), the salaries and expenses relating to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with such common officers and employees; *provided,* that the foregoing shall not require Zebra to make any additional capital contributions to the Borrower. The Borrower will not engage any agents other than its attorneys, auditors and other professionals, and a servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which servicer will be fully compensated for its services by payment of the Servicing Fee.

(g) *Servicing and Costs* . The Borrower will contract with the Servicer to perform for the Borrower all operations required on a daily basis to service the Receivables Pool. The Borrower will not incur any indirect or overhead expenses for items shared with the Servicer (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Borrower (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered.

(h) *Operating Expenses* . The Borrower's operating expenses will not be paid by the Servicer, the Performance Guarantor, any Originator or any Affiliate thereof and Zebra shall have no obligation to make additional capital contributions to the Borrower for such operating expenses.

(i) *Stationary* . The Borrower will have its own separate stationary.

(j) *Books and Records* . The Borrower's books and records will be maintained separately from those of the Servicer, the Performance Guarantor, the Originators and any of their Affiliates and in a manner such that it will not be difficult or costly to segregate, ascertain or otherwise identify the assets and liabilities of the Borrower.

(k) *Disclosure of Transactions* . All financial statements of the Servicer, the Performance Guarantor, the Originators or any Affiliate thereof that are consolidated to include the Borrower will disclose that (i) the Borrower's sole business consists of the purchase or acceptance through capital contributions of the Receivables and Related Security from the Originators and the subsequent retransfer of or granting of a security interest in such Receivables and Related Security to the Administrative Agent for the benefit of the Secured Parties, (ii) the Borrower is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Borrower's assets prior to any assets or value in the Borrower becoming available to the Borrower's equity holders and (iii) the assets of the Borrower are not available to pay creditors of the Servicer, the Performance Guarantor, the Originators or any Affiliate thereof.

(l) *Segregation of Assets* . The Borrower's assets will be maintained in a manner that facilitates their identification and segregation from those of the Servicer, the Performance Guarantor, the Originators or any Affiliates thereof.

(m) *Corporate Formalities* . The Borrower will strictly observe corporate formalities in its dealings with the Servicer, the Performance Guarantor, the Originators or any Affiliates thereof, and funds or other assets of the Borrower will not be commingled with those of the Servicer, the Performance Guarantor, the Originators or any Affiliates thereof except as permitted by this Agreement in connection with servicing the Pool Receivables. The Borrower shall not maintain joint bank accounts or other depository accounts to which the Servicer, the Performance Guarantor, the Originators or any Affiliate thereof (other than the Servicer solely in its capacity as such) has independent access. The Borrower is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of the Servicer, the Performance Guarantor, the Originators or any Subsidiaries or other Affiliates thereof. The Borrower will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Borrower and such Affiliate.

(n) *Arm's-Length Relationships* . The Borrower will maintain arm's-length relationships with the Servicer, the Performance Guarantor, the Originators and any Affiliates thereof. Any Person that renders or otherwise furnishes services to the Borrower will be compensated by the Borrower at market rates for such services it renders or otherwise furnishes to the Borrower. Neither the Borrower on the one hand, nor the Servicer, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Borrower, the Servicer, the Performance Guarantor, the Originators and their respective Affiliates will promptly correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity.

(o) *Allocation of Overhead* . To the extent that Borrower, on the one hand, and the Servicer, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, have offices in the same location, there shall be a fair and appropriate allocation of overhead costs between them, and the Borrower shall bear its fair share of such expenses, which may be paid through the Servicing Fee or otherwise; *provided,* that the foregoing shall not require Zebra to make any additional capital contributions to the Borrower.

Section 8.04. Covenant of Zebra . At all times from the Closing Date until the Final Payout Date, Zebra hereby covenants that it will not sell, assign, convey, transfer or otherwise dispose of any of its assets to the Borrower except for sales, assignments, conveyances, transfer or other dispositions of (a) Receivables, Related Security and Collections with respect to Receivables, (b) other Sold Assets and (c) financial assets, securities,

bonds, cash, cash equivalents, deposits and other similar financial instruments.

ARTICLE IX

ADMINISTRATION AND COLLECTION OF RECEIVABLES

Section 9.01. Appointment of the Servicer . (a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section 9.01 . Until the Administrative Agent gives notice to Zebra (in accordance with this Section 9.01) of the designation of a new Servicer, Zebra is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of an Event of Default, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (at the direction of the Majority Group Agents) designate as Servicer any Person (including itself) to succeed Zebra or any successor Servicer, on the condition in each case that any such Person so designated shall agree in writing to perform the duties and obligations of the Servicer pursuant to the terms hereof. The Servicer shall be entitled to payment of all Servicing Fees and reimbursable expenses accrued prior to the date of such termination.

(b) Upon the designation of a successor Servicer as set forth in clause (a) above, Zebra agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrative Agent reasonably determines will facilitate the transition of the performance of such activities to the new Servicer, and Zebra shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of records (including all Contracts) related to Pool Receivables and use by the new Servicer of all licenses (or the obtaining of new licenses), hardware or software reasonably necessary to collect the Pool Receivables and the Related Security.

(c) Zebra acknowledges that, in making its decision to execute and deliver this Agreement, the Administrative Agent and each member in each Group have relied on Zebra's agreement to act as Servicer hereunder. Accordingly, Zebra agrees that it will not voluntarily resign as Servicer without the prior written consent of the Administrative Agent and the Majority Group Agents, unless Zebra determines based on an opinion of counsel that it is prohibited by Applicable Law from performing its duties as Servicer hereunder.

(d) The Servicer may delegate its duties and obligations hereunder to any subservicer (each a " Sub-Servicer "); *provided,* that, in each such delegation: (i) such Sub-Servicer shall agree in writing to perform the delegated duties and obligations of the Servicer pursuant to the terms hereof, (ii) the Servicer shall remain liable for the performance of the duties and obligations so delegated, (iii) the Borrower, the Administrative Agent, each Lender and each Group Agent shall have the right to look solely to the Servicer for performance, (iv) the terms of any agreement with any Sub-Servicer shall provide that the Administrative Agent may terminate such agreement upon the termination of the Servicer hereunder by giving notice of its desire to terminate such agreement to the Servicer (and the Servicer shall provide appropriate notice to each such Sub-Servicer) and (v) if such Sub-Servicer is not an Affiliate of Zebra, the Administrative Agent and the Majority Group Agents shall have consented in writing in advance to such delegation.

Section 9.02. Duties of the Servicer . (a) The Servicer shall take or cause to be taken all such action as may be necessary or reasonably advisable to service, administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all Applicable Laws, with reasonable care and diligence, and in accordance with the Credit and Collection Policy and consistent with the past practices of the Originators. The Servicer shall set aside, for the accounts of each Group, the amount of Collections to which each such Group is entitled in accordance with Article IV hereof. The Servicer may, in accordance with the Credit and Collection Policy and consistent with past practices of the Originators, take such action, including modifications, waivers or restructurings of Pool Receivables and related Contracts, as the Servicer may reasonably determine to be appropriate to maximize Collections thereof or reflect adjustments expressly permitted under the Credit and Collection Policy or as expressly required under Applicable Laws or the applicable Contract; *provided,* that for purposes of this Agreement: (i) such action shall not, and shall not be deemed to, change the number of days such Pool Receivable has remained unpaid from the date of the original due date related to such Pool Receivable, (ii) such action shall not alter the status of such Pool Receivable as a Delinquent Receivable or a Defaulted Receivable or limit the rights of any Secured Party under this Agreement or any other Transaction Document and (iii) if an Event of Default has occurred and is continuing, the Servicer may take such action only upon the prior written consent of the Administrative Agent. The Borrower shall deliver to the Servicer and the Servicer shall hold for the benefit of the Administrative Agent (individually and for the benefit of each Group), in accordance with their respective interests, all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, if an Event of Default has occurred and is continuing, the Administrative Agent may direct the Servicer to commence or settle any legal action to enforce collection of any Pool Receivable that is a Defaulted Receivable or to foreclose upon or repossess any Related Security with respect to any such Defaulted Receivable.

(b) The Servicer shall, as soon as reasonably practicable following actual receipt of collected funds, turn over to the appropriate Person entitled thereto the collections of any indebtedness that is not a Pool Receivable, less, if Zebra or an Affiliate thereof is not the Servicer, all reasonable and appropriate out-of-pocket costs and expenses of such Servicer of servicing, collecting and administering such collections. The Servicer, if other than Zebra or an Affiliate thereof, shall, as soon as reasonably practicable upon written demand, deliver to the appropriate Person entitled thereto all records in its possession that evidence or relate to any indebtedness that is not a Pool Receivable, and copies of records in its possession that evidence or relate to any indebtedness that is a Pool Receivable.

(c) The Servicer's obligations hereunder shall terminate on the Final Payout Date. Promptly following the Final Payout date, the Servicer shall deliver to the Borrower all books, records and related materials that the Borrower previously provided to the Servicer, or that have been obtained by the

Servicer, in connection with this Agreement.

Section 9.03. Collection Account Arrangements . Prior to the Closing Date, the Borrower shall have entered into Account Control Agreements with all of the Collection Account Banks and delivered executed counterparts of each to the Administrative Agent. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (upon the direction of the Majority Group Agents) at any time thereafter give notice to each Collection Account Bank that the Administrative Agent is exercising its rights under the Collection Account Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Collection Accounts transferred to the Administrative Agent (for the benefit of the Secured Parties) and to exercise exclusive dominion and control over the funds deposited therein, (b) to have the proceeds that are sent to the respective Collection Accounts redirected pursuant to the Administrative Agent's instructions rather than deposited in the applicable Collection Account and (c) to take any or all other actions permitted under the applicable Account Control Agreement. The Borrower hereby agrees that if the Administrative Agent at any time takes any action set forth in the preceding sentence, the Administrative Agent shall have exclusive control (for the benefit of the Secured Parties) of the proceeds (including Collections) of all Pool Receivables and the Borrower hereby further agrees to take any other action that the Administrative Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Borrower or the Servicer thereafter shall be sent immediately to, or as otherwise instructed by, the Administrative Agent.

Section 9.04. Enforcement Rights . (a) At any time following the occurrence and during the continuation of an Event of Default:

(i) the Administrative Agent (at the Borrower's expense) may direct the Obligors that payment of all amounts payable under any Pool Receivable is to be made directly to the Administrative Agent or its designee;

(ii) the Administrative Agent may instruct the Borrower or the Servicer to give notice of the Secured Parties' interest in Pool Receivables to each Obligor, which notice shall direct that payments be made directly to the Administrative Agent or its designee (on behalf of the Secured Parties), and the Borrower or the Servicer, as the case may be, shall give such notice at the expense of the Borrower or the Servicer, as the case may be; *provided,* that if the Borrower or the Servicer, as the case may be, fails to so notify each Obligor within two (2) Business Days following instruction by the Administrative Agent, the Administrative Agent (at the Borrower's or the Servicer's, as the case may be, expense) may so notify the Obligors;

(iii) the Administrative Agent may request the Servicer to, and upon such request the Servicer shall: (A) assemble all of the records reasonably necessary to collect the Pool Receivables and the Related Security, and transfer or license to a successor Servicer the use of all software reasonably necessary to collect the Pool Receivables and the Related Security, and make the same available to the Administrative Agent or its designee (for the benefit of the Secured Parties) at a place selected by the Administrative Agent and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner reasonably acceptable to the Administrative Agent and, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrative Agent or its designee;

(iv) the Administrative Agent may assume exclusive control of each Collection Account and notify the Collection Account Banks that the Borrower and the Servicer will no longer have any access to the Collection Accounts;

(v) the Administrative Agent may (or, at the direction of the Majority Group Agents shall) replace the Person then acting as Servicer; and

(vi) the Administrative Agent may collect any amounts due from an Originator under the Receivables Purchase Agreement or the Performance Guarantor under the Performance Guaranty.

(b) The Borrower hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Borrower, which appointment is coupled with an interest, to take any and all steps in the name of the Borrower and on behalf of the Borrower reasonably necessary, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Default, to collect any and all amounts or portions thereof due under any and all Collateral, including endorsing the name of the Borrower on checks and other instruments representing Collections and enforcing such Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

(c) The Servicer hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Servicer, which appointment is coupled with an interest, to take any and all steps in the name of the Servicer and on behalf of the Servicer reasonably necessary, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Default, to collect any and all amounts or portions thereof due under any and all Collateral, including endorsing the name of the Servicer on checks and other instruments representing Collections and enforcing such Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer

any obligations upon such attorney-in-fact in any manner whatsoever.

Section 9.05. Responsibilities of the Borrower . (a) The Borrower shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrative Agent, or any other Credit Party of their respective rights hereunder shall not relieve the Borrower from such obligations and (ii) pay when due any taxes, including any sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. None of the Credit Parties shall have any obligation or liability with respect to any Collateral, nor shall any of them be obligated to perform any of the obligations of the Borrower, the Servicer or any Originator thereunder.

(b) Zebra hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, Zebra shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that Zebra conducted such data-processing functions while it acted as the Servicer. In connection with any such processing functions, the Borrower shall pay to Zebra its reasonable out-of-pocket costs and expenses from the Borrower's own funds (subject to the priority of payments set forth in Section 4.01).

Section 9.06. Servicing Fee . The Servicer shall be paid a fee (the " Servicing Fee ") equal to 1.00% per annum (the " Servicing Fee Rate ") of the monthly average aggregate Outstanding Balance of the Pool Receivables.

ARTICLE X

EVENTS OF DEFAULT

Section 10.01. Events of Default . If any of the following events (each an " Event of Default ") shall occur:

(a) (i) the Borrower, any Originator, the Performance Guarantor, or the Servicer shall fail to perform or observe any term, covenant or agreement under this Agreement or any other Transaction Document to be performed or observed by the Borrower, such Originator, the Performance Guarantor or the Servicer, as applicable (other than any such failure which would constitute an Event of Default under clause (ii) or (iii) of this paragraph (a)), and such failure, solely to the extent capable of cure, shall continue for thirty (30) days, (ii) the Borrower, any Originator, the Performance Guarantor or the Servicer shall fail to make when due any payment or deposit to be made by it under this Agreement or any other Transaction Document and such failure shall continue unremedied for two (2) Business Days or (iii) Zebra shall resign as Servicer, and no successor Servicer reasonably satisfactory to the Administrative Agent shall have been appointed;

(b) any representation or warranty made or deemed made by the Borrower, any Originator, the Performance Guarantor or the Servicer (or any of their respective officers) under or in connection with this Agreement or any other Transaction Document or any information or report delivered by the Borrower, any Originator, the Performance Guarantor or the Servicer pursuant to this Agreement or any other Transaction Document, shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered;

(c) the Borrower or the Servicer shall fail to deliver an Information Package pursuant to this Agreement, and such failure shall remain unremedied for two (2) Business Days;

(d) this Agreement or any security interest granted pursuant to this Agreement or any other Transaction Document shall for any reason (other than through an action of the Administrative Agent) cease to create, or for any reason cease to be, a valid and enforceable first priority perfected security interest in favor of the Administrative Agent with respect to the Collateral, free and clear of any Adverse Claim;

(e) the Borrower, any Originator, the Performance Guarantor or the Servicer shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any Insolvency Proceeding shall be instituted by or against the Borrower, any Originator, the Performance Guarantor or the Servicer and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of 60 consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Borrower, any Originator, the Performance Guarantor or the Servicer shall take any corporate or organizational action to authorize any of the actions set forth above in this paragraph;

(f) (i) the average for three consecutive Fiscal Months of: (A) the Default Ratio shall exceed 2.50%, (B) the Delinquency Ratio shall exceed 8.00% or (C) the Dilution Ratio shall exceed 7.00%; *provided* that the Administrative Agent, acting upon the written consent of all Group Agents, may adjust such threshold one time during the time period beginning on the date that is six (6) months from the Closing Date through and including the date that is twelve (12) months from the Closing Date with the written consent of the Administrative Agent and all Group Agents or (ii) the Days' Sales Outstanding shall exceed 65 days;

(g) a Change in Control shall occur;

(h) a Borrowing Base Deficit shall occur, and shall not have been cured within two (2) Business Days;

(i) (i) the Borrower shall fail to pay any principal of or premium or interest on any of its Debt (other than the Borrower Obligations) when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period (not to exceed 30 days), if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (ii) any Originator, the Performance Guarantor or the Servicer or any of their respective Subsidiaries, individually or in the aggregate, shall fail to pay any principal of or premium or interest on any of its Debt that is outstanding (A) under the Credit Agreement or (B) in a principal amount of at least $50,000,000 in the aggregate when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period (not to exceed 30 days), if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (iii) any other event shall occur or condition shall exist under any agreement, mortgage, indenture or instrument relating to any such Debt (as referred to in clause (i) or (ii) of this paragraph and shall continue after the applicable grace period, if any, specified in such agreement, mortgage, indenture or instrument (whether or not such failure shall have been waived under the related agreement), if the effect of such event or condition is to give the applicable debtholders the right (whether acted upon or not) to accelerate the maturity of such Debt (as referred to in clause (i) or (ii) of this paragraph) or to terminate the commitment of any lender thereunder, or (iv) any such Debt (as referred to in clause (i) or (ii) of this paragraph) shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt shall be required to be made or the commitment of any lender thereunder terminated, in each case before the stated maturity thereof;

(j) the Performance Guarantor shall fail to perform any of its material obligations under the Performance Guaranty within the timeframe (including notice and cure periods) under the Performance Guaranty, it being understood that any failure by the Performance Guarantor to perform or observe or cause to be performed or observed the Guaranteed Obligations shall be deemed to be material;

(k) the Borrower shall fail (x) at any time to have an Independent Manager who satisfies each requirement and qualification specified in Section 8.03(c) of this Agreement for Independent Managers, on the Borrower's board of managers or (y) to timely notify the Administrative Agent of any replacement or appointment of any Person that is to serve as an Independent Manager on the Borrower's board of managers as required pursuant to Section 8.03(c) of this Agreement;

(l) [reserved];

(m) either (i) the Internal Revenue Service shall file notice of a lien pursuant to Section 6323 of the Code with regard to any assets of the Borrower or any Originator or (ii) the PBGC shall, or shall indicate its intention to, file notice of a lien pursuant to Section 4068 of ERISA with regard to any material portion of the assets of the Borrower, the Servicer, the Performance Guarantor or any Originator;

(n) (i) the occurrence of a Reportable Event; (ii) the adoption of an amendment to a Pension Plan that would require the provision of security pursuant to Section 401(a)(29) of the Code or Section 307 of ERISA; (iii) the existence with respect to any Multiemployer Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (iv) the failure to satisfy the minimum funding standard under Section 412 of the Code with respect to any Pension Plan; (v) the incurrence of any liability under Title IV of ERISA with respect to the termination of any Pension Plan or the withdrawal or partial withdrawal of any of the Borrower, any Originator, the Performance Guarantor, the Servicer or any of their respective ERISA Affiliates from any Multiemployer Plan; (vi) the receipt by any of the Borrower, any Originator, the Performance Guarantor, the Servicer or any of their respective ERISA Affiliates from the PBGC or any plan administrator of any notice relating to the intention to terminate any Pension Plan or Multiemployer Plan or to appoint a trustee to administer any Pension Plan or Multiemployer Plan; (vii) the receipt by the Borrower, any Originator, the Performance Guarantor, the Servicer, or any of their respective ERISA Affiliates of any notice concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA; (viii) the occurrence of a prohibited transaction with respect to any of the Borrower, any Originator, the Performance Guarantor the Servicer, or any of their respective ERISA Affiliates (pursuant to Section 4975 of the Code); (ix) the occurrence or existence of any other similar event or condition with respect to a Pension Plan or a Multiemployer Plan, with respect to each of clause (i) through (ix) , either individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect;

(o) a Material Adverse Effect shall occur with respect to the Borrower, the Servicer, the Performance Guarantor or any Originator;

(p) a Receivables Purchase Agreement Termination Event shall occur under the Receivables Purchase Agreement;

(q) the Borrower shall be required to register as an "investment company" within the meaning of the Investment Company Act;

(r) any material provision of this Agreement or any other Transaction Document shall cease to be in full force and effect or any of the Borrower, any Originator, the Performance Guarantor or the Servicer shall so state in writing; or

(s) one or more judgments or decrees shall be entered against the Borrower, any Originator, the Performance Guarantor or the Servicer involving in the aggregate a liability (not paid or to the extent not covered by a reputable and solvent insurance company) and such judgments and decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed or bonded pending appeal for any period of 45 consecutive days, and the aggregate amount of all such judgments equals or exceeds $50,000,000 (or solely with respect to the Borrower, $15,000);

then, and in any such event, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Borrower (x) declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred) and (y) declare the Aggregate Capital and all other Borrower Obligations to be immediately due and payable (in which case the Aggregate Capital and all other Borrower Obligations shall be immediately due and payable); *provided* that, automatically upon the occurrence of any event (without any requirement for the giving of notice) described in subsection (e) of this Section 10.01 with respect to the Borrower, the Termination Date shall occur and the Aggregate Capital and all other Borrower Obligations shall be immediately due and payable. Upon any such declaration or designation or upon such automatic termination, the Administrative Agent and the other Secured Parties shall have, in addition to the rights and remedies which they may have under this Agreement and the other Transaction Documents, all other rights and remedies provided after default under the UCC and under other Applicable Law, which rights and remedies shall be cumulative. Any proceeds from liquidation of the Collateral shall be applied in the order of priority set forth in Section 4.01 .

ARTICLE XI

THE ADMINISTRATIVE AGENT

Section 11.01. Authorization and Action . Each Credit Party hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against the Administrative Agent. The Administrative Agent does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Borrower or any Affiliate thereof or any Credit Party except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall the Administrative Agent ever be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 11.02. Administrative Agent's Reliance, Etc . Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement (including, without limitation, the Administrative Agent's servicing, administering or collecting Pool Receivables in the event it replaces the Servicer in such capacity pursuant to Section 9.01), in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Administrative Agent: (a) may consult with legal counsel (including counsel for any Credit Party or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Credit Party (whether written or oral) and shall not be responsible to any Credit Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Credit Party or to inspect the property (including the books and records) of any Credit Party; (d) shall not be responsible to any Credit Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 11.03. Administrative Agent and Affiliates . With respect to any Credit Extension or interests therein owned by any Credit Party that is also the Administrative Agent, such Credit Party shall have the same rights and powers under this Agreement as any other Credit Party and may exercise the same as though it were not the Administrative Agent. The Administrative Agent and any of its Affiliates may generally engage in any kind of business with the Borrower or any Affiliate thereof and any Person who may do business with or own securities of the Borrower or any Affiliate thereof, all as if the Administrative Agent were not the Administrative Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 11.04. Indemnification of Administrative Agent . Each Committed Lender agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower or any Affiliate thereof), ratably according to the respective Pro Rata Percentage of such Committed Lender, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by the Administrative Agent under this Agreement or any other Transaction Document; *provided* that no Committed Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct.

Section 11.05. Delegation of Duties . The Administrative Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence

or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 11.06. Action or Inaction by Administrative Agent . The Administrative Agent shall in all cases be fully justified in failing or refusing to take action under any Transaction Document unless it shall first receive such advice or concurrence of the Group Agents or the Majority Group Agents, as the case may be, and assurance of its indemnification by the Committed Lenders, as it deems appropriate. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Transaction Document in accordance with a request or at the direction of the Group Agents or the Majority Group Agents, as the case may be, and such request or direction and any action taken or failure to act pursuant thereto shall be binding upon all Credit Parties. The Credit Parties and the Administrative Agent agree that unless any action to be taken by the Administrative Agent under a Transaction Document (i) specifically requires the advice or concurrence of all Group Agents or (ii) may be taken by the Administrative Agent alone or without any advice or concurrence of any Group Agent, then the Administrative Agent may take action based upon the advice or concurrence of the Majority Group Agents.

Section 11.07. Notice of Events of Default; Action by Administrative Agent . The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Default or Event of Default unless the Administrative Agent has received notice from any Credit Party or the Borrower stating that an Unmatured Event of Default or Event of Default has occurred hereunder and describing such Unmatured Event of Default or Event of Default. If the Administrative Agent receives such a notice, it shall promptly give notice thereof to each Group Agent, whereupon each Group Agent shall promptly give notice thereof to its respective Conduit Lender(s) and Related Committed Lender(s). The Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, concerning an Unmatured Event of Default or Event of Default or any other matter hereunder as the Administrative Agent deems advisable and in the best interests of the Secured Parties.

Section 11.08. Non-Reliance on Administrative Agent and Other Parties -. Each Credit Party expressly acknowledges that neither the Administrative Agent nor any of its directors, officers, agents or employees has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Borrower or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each Credit Party represents and warrants to the Administrative Agent that, independently and without reliance upon the Administrative Agent or any other Credit Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Borrower, each Originator, the Performance Guarantor or the Servicer and the Pool Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by the Administrative Agent to any Credit Party, the Administrative Agent shall not have any duty or responsibility to provide any Credit Party with any information concerning the Borrower, any Originator, the Performance Guarantor or the Servicer that comes into the possession of the Administrative Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 11.09. Successor Administrative Agent . (a) The Administrative Agent may, upon at least thirty (30) days' notice to the Borrower, the Servicer and each Group Agent, resign as Administrative Agent. Except as provided below, such resignation shall not become effective until a successor Administrative Agent is appointed by the Majority Group Agents as a successor Administrative Agent and has accepted such appointment. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents, within thirty (30) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, appoint a successor Administrative Agent as successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents within sixty (60) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, petition a court of competent jurisdiction to appoint a successor Administrative Agent.

(b) Upon such acceptance of its appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights and duties of the resigning Administrative Agent, and the resigning Administrative Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Administrative Agent's resignation hereunder, the provisions of this Article XI and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent.

Section 11.10. Structuring Agent . Each of the parties hereto hereby acknowledges and agrees that the Structuring Agent shall not have any right, power, obligation, liability, responsibility or duty under this Agreement. Each Credit Party acknowledges that it has not relied, and will not rely, on the Structuring Agent in deciding to enter into this Agreement and to take, or omit to take, any action under any Transaction Document.

ARTICLE XII

THE GROUP AGENTS

Section 12.01. Authorization and Action . Each Credit Party that belongs to a Group hereby appoints and authorizes the Group Agent for such Group to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Group Agent by the terms hereof, together with such powers as are reasonably incidental thereto. No Group Agent shall have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against any Group Agent. No Group Agent assumes, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with the Borrower or any

Affiliate thereof, any Lender except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall any Group Agent ever be required to take any action which exposes such Group Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 12.02. Group Agent's Reliance, Etc . No Group Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as a Group Agent under or in connection with this Agreement or any other Transaction Documents in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, a Group Agent: (a) may consult with legal counsel (including counsel for the Administrative Agent, the Borrower or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Credit Party (whether written or oral) and shall not be responsible to any Credit Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement or any other Transaction Document; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Transaction Document on the part of the Borrower or any Affiliate thereof or any other Person or to inspect the property (including the books and records) of the Borrower or any Affiliate thereof; (d) shall not be responsible to any Credit Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Transaction Documents or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 12.03. Group Agent and Affiliates . With respect to any Credit Extension or interests therein owned by any Credit Party that is also a Group Agent, such Credit Party shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not a Group Agent. A Group Agent and any of its Affiliates may generally engage in any kind of business with the Borrower or any Affiliate thereof and any Person who may do business with or own securities of the Borrower or any Affiliate thereof or any of their respective Affiliates, all as if such Group Agent were not a Group Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 12.04. Indemnification of Group Agents . Each Committed Lender in any Group agrees to indemnify the Group Agent for such Group (to the extent not reimbursed by the Borrower or any Affiliate thereof), ratably according to the proportion of the Pro Rata Percentage of such Committed Lender to the aggregate Pro Rata Percentages of all Committed Lenders in such Group, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Group Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by such Group Agent under this Agreement or any other Transaction Document; *provided* that no Committed Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Group Agent's gross negligence or willful misconduct.

Section 12.05. Delegation of Duties . Each Group Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Group Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 12.06. Notice of Events of Default . No Group Agent shall be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Default or Event of Default unless such Group Agent has received notice from the Administrative Agent, any other Group Agent, any other Credit Party, the Servicer or the Borrower stating that an Unmatured Event of Default or Event of Default has occurred hereunder and describing such Unmatured Event of Default or Event of Default. If a Group Agent receives such a notice, it shall promptly give notice thereof to the Credit Parties in its Group and to the Administrative Agent (but only if such notice received by such Group Agent was not sent by the Administrative Agent). A Group Agent may take such action concerning an Unmatured Event of Default or Event of Default as may be directed by Committed Lenders in its Group representing a majority of the Commitments in such Group (subject to the other provisions of this Article XII), but until such Group Agent receives such directions, such Group Agent may (but shall not be obligated to) take such action, or refrain from taking such action, as such Group Agent deems advisable and in the best interests of the Conduit Lenders and Committed Lenders in its Group.

Section 12.07. Non-Reliance on Group Agent and Other Parties -. Each Credit Party expressly acknowledges that neither the Group Agent for its Group nor any of such Group Agent's directors, officers, agents or employees has made any representations or warranties to it and that no act by such Group Agent hereafter taken, including any review of the affairs of the Borrower or any Affiliate thereof, shall be deemed to constitute any representation or warranty by such Group Agent. Each Credit Party represents and warrants to the Group Agent for its Group that, independently and without reliance upon such Group Agent, any other Group Agent, the Administrative Agent or any other Credit Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Borrower or any Affiliate thereof and the Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by a Group Agent to any Credit Party in its Group, no Group Agent shall have any duty or responsibility to provide any Credit Party in its Group with any information concerning the Borrower or any Affiliate thereof that comes into the possession of such Group Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 12.08. Successor Group Agent . Any Group Agent may, upon at least thirty (30) days' notice to the Administrative Agent, the

Borrower, the Servicer and the Credit Parties in its Group, resign as Group Agent for its Group. Such resignation shall not become effective until a successor Group Agent is appointed by the Lender(s) in such Group. Upon such acceptance of its appointment as Group Agent for such Group hereunder by a successor Group Agent, such successor Group Agent shall succeed to and become vested with all the rights and duties of the resigning Group Agent, and the resigning Group Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Group Agent's resignation hereunder, the provisions of this Article XII and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Group Agent.

Section 12.09. Reliance on Group Agent . Unless otherwise advised in writing by a Group Agent or by any Credit Party in such Group Agent's Group, each party to this Agreement may assume that (i) such Group Agent is acting for the benefit and on behalf of each of the Credit Parties in its Group, as well as for the benefit of each assignee or other transferee from any such Person and (ii) each action taken by such Group Agent has been duly authorized and approved by all necessary action on the part of the Credit Parties in its Group.

ARTICLE XIII

INDEMNIFICATION

Section 13.01. Indemnities by the Borrower . (a) Without limiting any other rights that the Administrative Agent, the Credit Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a " Borrower Indemnified Party ") may have hereunder or under Applicable Law, the Borrower hereby agrees to indemnify each Borrower Indemnified Party from and against any and all claims, losses and liabilities (including Attorney Costs) (all of the foregoing being collectively referred to as " Borrower Indemnified Amounts ") arising out of or resulting from this Agreement or any other Transaction Document or the use of proceeds of the Credit Extensions or the security interest in respect of any Pool Receivable or any other Collateral; excluding, however, (x) Borrower Indemnified Amounts to the extent a final judgment of a court of competent jurisdiction holds that such Borrower Indemnified Amounts resulted primarily from the gross negligence or willful misconduct by the Borrower Indemnified Party seeking indemnification and (y) Taxes that are both (i) covered by Section 5.03 and (ii) not attributable to either (A) a non-Tax Borrower Indemnified Amount or (B) a Tax-related Borrower Indemnified Amount specified below. Without limiting or being limited by the foregoing, the Borrower shall pay on written demand (which demand shall be accompanied by documentation of the Borrower Indemnified Amounts in reasonable detail) (it being understood that if any portion of such payment obligation is made from Collections, such payment will be made at the time and in the order of priority set forth in Section 4.01), to each Borrower Indemnified Party any and all amounts necessary to indemnify such Borrower Indemnified Party from and against any and all Borrower Indemnified Amounts relating to or resulting from any of the following (but excluding Borrower Indemnified Amounts and Taxes described in clauses (x) and (y) above):

(i) any Pool Receivable which the Borrower or the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any written representation, warranty or statement made or deemed made by the Borrower (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other written information or report (other than projections, forward-looking statements and information of a general economic or industry nature) delivered by or on behalf of the Borrower pursuant hereto which shall have been untrue or incorrect when made or deemed made;

(iii) the failure by the Borrower to comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the failure to vest in the Administrative Agent a first priority perfected security interest in all or any portion of the Collateral, in each case free and clear of any Adverse Claim;

(v) the failure to have filed, or any delay in filing, financing statements, financing statement amendments, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Pool Receivable and the other Collateral and Collections in respect thereof, whether at the time of any Credit Extension or at any subsequent time;

(vi) any dispute, claim or defense (other than any reduction, revision or discharge in bankruptcy) of an Obligor to the payment of any Pool Receivable (including, without limitation, a defense based on such Pool Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from or relating to collection activities with respect to such Pool Receivable, or the sale of goods or the rendering of services related to such Pool Receivable or the furnishing or failure to furnish any such goods or services or other similar claim or defense not arising from the financial inability of any Obligor to pay undisputed indebtedness;

(vii) any failure of the Borrower to perform any of its duties or obligations in accordance with the provisions hereof and of each other Transaction Document related to Pool Receivables or to timely and fully comply with the Credit and Collection Policy in regard to each Pool Receivable;

(viii) any products liability, environmental or other claim arising out of or in connection with any Pool Receivable or other

merchandise, goods or services which are the subject of or related to any Pool Receivable;

(ix) the commingling of Collections of Pool Receivables at any time with other funds;

(x) any investigation, litigation or proceeding (actual or threatened) brought by a Person other than a Borrower Indemnified Party related to this Agreement or any other Transaction Document or the use of proceeds of any Credit Extensions or in respect of any Pool Receivable or other Collateral or any related Contract;

(xi) any failure of the Borrower to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

(xii) any setoff with respect to any Pool Receivable;

(xiii) any claim brought by any Person other than a Borrower Indemnified Party arising from any activity by the Borrower or the Servicer (if an Affiliate of the Borrower) in servicing, administering or collecting any Pool Receivable;

(xiv) the failure by the Borrower to pay when due any taxes, including, without limitation, sales, excise or personal property taxes;

(xv) any failure of a Collection Account Bank to comply with the terms of the applicable Account Control Agreement or any amounts payable by the Administrative Agent to a Collection Account Bank under any Account Control Agreement;

(xvi) any action taken by the Administrative Agent as attorney-in-fact for the Borrower, any Originator or the Servicer pursuant to this Agreement or any other Transaction Document;

(xvii) the use of proceeds of any Credit Extension; or

(xviii) any reduction in Capital as a result of the distribution of Collections if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason.

(b) Notwithstanding anything to the contrary in this Agreement, solely for purposes of the Borrower's indemnification obligations in clauses (ii) , (iii) , (vii) and (xi) of this Article XIII , any representation, warranty or covenant qualified by the occurrence or non-occurrence of a material adverse effect or similar concepts of materiality shall be deemed to be not so qualified.

(c) If for any reason the foregoing indemnification is unavailable to any Borrower Indemnified Party or insufficient to hold it harmless, then the Borrower shall contribute to such Borrower Indemnified Party the amount paid or payable by such Borrower Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Borrower on the one hand and such Borrower Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Borrower and such Borrower Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Borrower under this Section shall be in addition to any liability which the Borrower may otherwise have, shall extend upon the same terms and conditions to each Borrower Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Borrower and the Borrower Indemnified Parties.

(d) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

Section 13.02. Indemnification by the Servicer . (a) The Servicer hereby agrees to indemnify and hold harmless the Borrower, the Administrative Agent, the Credit Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a " Servicer Indemnified Party "), from and against any loss, liability, expense, damage or injury suffered or sustained by reason of any acts, omissions or alleged acts or omissions arising out of activities of the Servicer pursuant to this Agreement or any other Transaction Document, including any judgment, award, settlement, Attorney Costs and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim (all of the foregoing being collectively referred to as, " Servicer Indemnified Amounts "); excluding (i) Servicer Indemnified Amounts to the extent a final judgment of a court of competent jurisdiction holds that such Servicer Indemnified Amounts resulted from the gross negligence or willful misconduct by the Servicer Indemnified Party seeking indemnification, (ii) Taxes that are both (A) covered by Section 5.03 and (B) not attributable to a non-Tax Servicer Indemnified Amount and (iii) Servicer Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy or lack of creditworthiness of the related Obligor. Without limiting or being limited by the foregoing, the Servicer shall pay on demand, to each Servicer Indemnified Party any and all amounts necessary to indemnify such Servicer Indemnified Party from and against any and all Servicer Indemnified Amounts relating to or resulting from any of the following (but excluding Servicer Indemnified Amounts described in clauses (i) , (ii) and (iii) above):

(i) any representation, warranty or statement made or deemed made by the Servicer (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other written information or report (other than projections, forward-looking statements and information of a general economic or industry nature) delivered by or on behalf of the

Servicer pursuant hereto which shall have been untrue or incorrect when made or deemed made;

(ii) the failure by the Servicer to comply with any Applicable Law with respect to any Pool Receivable or the related Contract;

(iii) any failure of the Servicer to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document to which it is a party in its capacity as Servicer;

(iv) the commingling of Collections of Pool Receivables at any time with other funds;

(v) any failure of a Collection Account Bank to comply with the terms of the applicable Account Control Agreement or any amounts payable by the Administrative Agent to a Collection Account Bank under any Account Control Agreement; or

(vi) any failure or delay in invoicing any Pool Receivable; or

(vii) any Pool Receivable which the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time.

(b) If for any reason the foregoing indemnification is unavailable to any Servicer Indemnified Party or insufficient to hold it harmless, then the Servicer shall contribute to the amount paid or payable by such Servicer Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Servicer on the one hand and such Servicer Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Servicer and such Servicer Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Servicer under this Section shall be in addition to any liability which the Servicer may otherwise have, shall extend upon the same terms and conditions to Servicer Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Servicer and the Servicer Indemnified Parties.

(c) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Amendments, Etc . (a) No failure on the part of any Credit Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. No amendment or waiver of any provision of this Agreement or consent to any departure by either the Borrower or the Servicer shall be effective unless in a writing signed by the Administrative Agent and the Majority Group Agents (and, in the case of any amendment, also signed by the Borrower), and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, however,* that (A) no amendment, waiver or consent shall, unless in writing and signed by the Servicer, affect the rights or duties of the Servicer under this Agreement; (B) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and each Group Agent:

(i) change (directly or indirectly) the definitions of, Borrowing Base Deficit, Defaulted Receivable, Delinquent Receivable, Eligible Receivable, Facility Limit, Scheduled Termination Date, Net Receivables Pool Balance or Total Reserves contained in this Agreement, or increase the then existing Concentration Percentage or Special Concentration Limit for any Obligor or change the calculation of the Borrowing Base;

(ii) reduce the amount of Capital or Interest that is payable on account of any Loan or delay any scheduled date for payment thereof;

(iii) change any Event of Default;

(iv) change any of the provisions of this Section 14.01 or the definition of "Majority Group Agents"; or

(v) change the order of priority in which Collections are applied pursuant to Section 4.01 .

Notwithstanding the foregoing, (A) no amendment, waiver or consent shall increase any Committed Lender's Commitment hereunder without the consent of such Committed Lender, (B) no amendment, waiver or consent shall reduce any Fees payable by the Borrower to any member of any Group or delay the dates on which any such Fees are payable, in either case, without the consent of the Group Agent for such Group, and (C) no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clauses (i)-(v) above and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

Section 14.02. Notices, Etc . All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include email and facsimile communication) and emailed, faxed or delivered, to each party hereto, at its address set forth under its name on Schedule III hereto or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), notices and communications sent by email shall be effective when confirmed by electronic receipt or otherwise acknowledged, and notices and communications sent by other means shall be effective when received.

Section 14.03. Assignability; Addition of Lenders .

(a) *Assignment by Conduit Lenders* . This Agreement and the rights of each Conduit Lender hereunder (including each Loan made by it hereunder) shall be assignable by such Conduit Lender and its successors and permitted assigns (i) to any Program Support Provider of such Conduit Lender without prior notice to or consent from the Borrower or any other party, or any other condition or restriction of any kind, (ii) to any other Lender with prior notice to the Borrower but without consent from the Borrower or (iii) with the prior written consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however,* that such consent shall not be required if an Event of Default or Unmatured Event of Default has occurred and is continuing), to any other Eligible Assignee. Each assignor of a Loan or any interest therein may, in connection with the assignment or participation, disclose to the assignee or Participant any information relating to the Borrower and its Affiliates, including the Receivables, furnished to such assignor by or on behalf of the Borrower and its Affiliates or by the Administrative Agent; *provided* that, prior to any such disclosure, the assignee or Participant agrees to preserve the confidentiality of any confidential information relating to the Borrower and its Affiliates received by it from any of the foregoing entities in a manner consistent with Section 14.06(b) .

(b) *Assignment by Committed Lenders* . Each Committed Lender may assign to any Eligible Assignee or to any other Committed Lender all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and any Loan or interests therein owned by it); *provided, however* that

(i) except for an assignment by a Committed Lender to either an Affiliate of such Committed Lender or any other Committed Lender, each such assignment shall require the prior written consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however,* that such consent shall not be required if an Event of Default or an Unmatured Event of Default has occurred and is continuing);

(ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement;

(iii) the amount being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance Agreement with respect to such assignment) shall in no event be less than the lesser of (x) $10,000,000 and (y) all of the assigning Committed Lender's Commitment; and

(iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance Agreement.

Upon such execution, delivery, acceptance and recording from and after the effective date specified in such Assignment and Acceptance Agreement, (x) the assignee thereunder shall be a party to this Agreement, and to the extent that rights and obligations under this Agreement have been assigned to it pursuant to such Assignment and Acceptance Agreement, have the rights and obligations of a Committed Lender hereunder and (y) the assigning Committed Lender shall, to the extent that rights and obligations have been assigned by it pursuant to such Assignment and Acceptance Agreement, relinquish such rights and be released from such obligations under this Agreement (and, in the case of an Assignment and Acceptance Agreement covering all or the remaining portion of an assigning Committed Lender's rights and obligations under this Agreement, such Committed Lender shall cease to be a party hereto).

(c) *Register* . The Administrative Agent shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain at its address referred to on Schedule III of this Agreement (or such other address of the Administrative Agent notified by the Administrative Agent to the other parties hereto) a copy of each Assignment and Acceptance Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Committed Lenders and the Conduit Lenders, the Commitment of each Committed Lender and the aggregate outstanding Capital (and stated interest) of the Loans of each Conduit Lender and Committed Lender from time to time (the " Register "). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Servicer, the Administrative Agent, the Group Agents, and the other Credit Parties may treat each Person whose name is recorded in the Register as a Committed Lender or Conduit Lender, as the case may be, under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Borrower, the Servicer, any Group Agent, any Conduit Lender or any Committed Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) *Procedure* . Upon its receipt of an Assignment and Acceptance Agreement executed and delivered by an assigning Committed Lender and an Eligible Assignee or assignee Committed Lender, the Administrative Agent shall, if such Assignment and Acceptance Agreement has been duly completed, (i) accept such Assignment and Acceptance Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower and the Servicer.

(e) *Participations* . Each Committed Lender may sell participations to one or more Eligible Assignees (each, a " Participant ") in or to all or a portion of its rights and/or obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the interests in the Loans owned by it); *provided, however,* that

(i) such Committed Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrower hereunder) shall remain unchanged, and

(ii) such Committed Lender shall remain solely responsible to the other parties to this Agreement for the performance of such obligations.

The Administrative Agent, the Group Agents, the Conduit Lenders, the other Committed Lenders, the Borrower and the Servicer shall have the right to continue to deal solely and directly with such Committed Lender in connection with such Committed Lender's rights and obligations under this Agreement.

(f) *Participant Register* . Each Committed Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement (the " Participant Register "); *provided* that no Committed Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other obligations under any this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Committed Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(g) *Assignments by Agents* . This Agreement and the rights and obligations of the Administrative Agent and each Group Agent herein shall be assignable by the Administrative Agent or such Group Agent, as the case may be, and its successors and assigns; *provided* that in the case of an assignment to a Person that is not an Affiliate of the Administrative Agent or such Group Agent, so long as no Event of Default or Unmatured Event of Default has occurred and is continuing, such assignment shall require the Borrower's consent (not to be unreasonably withheld, conditioned or delayed).

(h) *Assignments by the Borrower or the Servicer* . Neither the Borrower nor, except as provided in Section 9.01 , the Servicer may assign any of its respective rights or obligations hereunder or any interest herein without the prior written consent of the Administrative Agent and each Group Agent (such consent to be provided or withheld in the sole discretion of such Person).

(i) *Addition of Lenders or Groups* . The Borrower may, with written notice to the Administrative Agent and each Group Agent, add additional Persons as Lenders (by creating a new Group) or cause an existing Lender to increase its Commitment; *provided, however,* that the Commitment of any existing Lender may only be increased with the prior written consent of such Lender. Each new Lender (or Group) shall become a party hereto, by executing and delivering to the Administrative Agent and the Borrower, an assumption agreement (each, an " Assumption Agreement ") in the form of Exhibit C hereto (which Assumption Agreement shall, in the case of any new Lender, be executed by each Person in such new Lender's Group).

(j) *Pledge to a Federal Reserve Bank* . Notwithstanding anything to the contrary set forth herein, (i) any Lender, Program Support Provider or any of their respective Affiliates may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Interest) and any other Transaction Document to secure its obligations to a Federal Reserve Bank, without notice to or the consent of the Borrower, the Servicer, any Affiliate thereof or any Credit Party; *provided, however,* that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(k) *Pledges by Conduit Lenders and CP Issuers.* Notwithstanding any other provision of this Agreement (including this Section 14.03), any Conduit Lender or CP Issuer may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement (including, without limitation, rights to payment of the principal balance of a Loan and any Interest thereon) to any Conduit Trustee without notice to or consent of the Borrower (and without entering into an Assignment and Assumption Agreement); provided, that no such pledge or grant of security interest shall release such CP Conduit Lender or CP Issuer from any of its obligations hereunder or substitute any such Conduit Trustee for such CP Conduit Lender or CP Issuer as a party hereto.

Section 14.04. Costs and Expenses . In addition to the rights of indemnification granted under Section 13.01 hereof, the Borrower agrees to pay on written demand (which demand shall be accompanied by documentation thereof in reasonable detail) all reasonable out-of-pocket costs and expenses in connection with the preparation, negotiation, execution, delivery and administration of this Agreement, any Program Support Agreement (or any supplement or amendment thereof) specifically related to this Agreement and the other Transaction Documents (together with all amendments, restatements, supplements, consents and waivers, if any, from time to time hereto and thereto), including, without limitation, (i) the reasonable Attorney Costs for the Administrative Agent and the other Credit Parties and any of their respective Affiliates with respect thereto and with respect to advising the Administrative Agent and the other Credit Parties and their respective Affiliates as to their rights and remedies under this Agreement and the other Transaction Documents and (ii) reasonable accountants', auditors' and consultants' fees and expenses for the Administrative Agent and the other Credit

Parties and any of their respective Affiliates and the fees and charges of any nationally recognized statistical rating agency incurred in connection with the administration and maintenance of this Agreement or advising the Administrative Agent or any other Credit Party as to their rights and remedies under this Agreement or as to any actual or reasonably claimed breach of this Agreement or any other Transaction Document. In addition, the Borrower agrees to pay on written demand (which demand shall be accompanied by documentation thereof in reasonable detail) all reasonable out-of-pocket costs and expenses (including reasonable Attorney Costs), of the Administrative Agent and the other Credit Parties and their respective Affiliates, incurred in connection with the enforcement of any of their respective rights or remedies under the provisions of this Agreement and the other Transaction Documents.

Section 14.05. No Proceedings; Limitation on Payments . (a) Each of the Borrower, the Administrative Agent, the Servicer, each Group Agent, each Lender and each assignee of a Loan or any interest therein, hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Lender any Insolvency Proceeding so long as any Notes or other senior indebtedness issued by such Conduit Lender shall be outstanding or there shall not have elapsed one year plus one day since the last day on which any such Notes or other senior indebtedness shall have been outstanding.

(b) Each of the Servicer, each Group Agent, each Lender and each assignee of a Loan or any interest therein, hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, the Borrower any Insolvency Proceeding until one year and one day after the Final Payout Date; *provided,* that the Administrative Agent may take any such action in its sole discretion following the occurrence of an Event of Default.

(c) Notwithstanding any provisions contained in this Agreement to the contrary, a Conduit Lender shall not, and shall be under no obligation to, pay any amount, if any, payable by it pursuant to this Agreement or any other Transaction Document unless (i) such Conduit Lender has received funds which may be used to make such payment and which funds are not required to repay such Conduit Lender's Notes when due and (ii) after giving effect to such payment, either (x) such Conduit Lender could issue Notes to refinance all of its outstanding Notes (assuming such outstanding Notes matured at such time) in accordance with the program documents governing such Conduit Lender's securitization program or (y) all of such Conduit Lender's Notes are paid in full. Any amount which any Conduit Lender does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or company obligation of such Conduit Lender for any such insufficiency unless and until such Conduit Lender satisfies the provisions of clauses (i) and (ii) above. The provisions of this Section 14.05 shall survive any termination of this Agreement.

Section 14.06. Confidentiality . (a) Each of the Borrower and the Servicer covenants and agrees to hold in confidence, and not disclose to any Person, the terms of this Agreement (including any fees payable in connection with this Agreement or any other Transaction Document or the identity of the Administrative Agent or any other Credit Party), except as the Administrative Agent and each Group Agent may have consented to in writing prior to any proposed disclosure; *provided, however,* that it may disclose such information (i) to its Advisors and Representatives or to a Conduit Trustee, (ii) to the extent such information has become available to the public other than as a result of a disclosure by or through the Borrower, the Servicer or their Advisors and Representatives or (iii) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided,* that, in the case of clause (iii) above, the Borrower and the Servicer will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Administrative Agent and the affected Credit Party of its intention to make any such disclosure prior to making such disclosure. Each of the Borrower and the Servicer agrees to be responsible for any breach of this Section by its Representatives and Advisors and agrees that its Representatives and Advisors will be advised by it of the confidential nature of such information and instructed to comply with this Section. Notwithstanding the foregoing, it is expressly agreed that each of the Borrower, the Servicer and their respective Affiliates may publish a press release or otherwise publicly announce the existence and principal amount of the Commitments under this Agreement and the transactions contemplated hereby; *provided* that the Administrative Agent shall be provided a reasonable opportunity to review such press release or other public announcement prior to its release and provide comment thereon; and *provided, further* , that no such press release shall name or otherwise identify the Administrative Agent, any other Credit Party or any of their respective Affiliates without such Person's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, the Borrower consents to the publication by the Administrative Agent or any other Credit Party of a tombstone or similar advertising material relating to the financing transactions contemplated by this Agreement.

(b) Each of the Administrative Agent and each other Credit Party, severally and with respect to itself only, agrees to hold in confidence, and not disclose to any Person, any confidential and proprietary information concerning the Borrower, the Servicer and their respective Affiliates and their businesses or the terms of this Agreement (including any fees payable in connection with this Agreement or the other Transaction Documents), except as the Borrower or the Servicer may have consented to in writing prior to any proposed disclosure; *provided, however,* that it may disclose such information (i) to its Advisors and Representatives and to any related Program Support Provider, (ii) to its assignees and Participants and potential assignees and Participants and their respective counsel if they agree in writing to hold it confidential, (iii) to the extent such information has become available to the public other than as a result of a disclosure by or through it or its Representatives or Advisors or any related Program Support Provider, (iv) to any nationally recognized statistical rating organization in connection with obtaining or maintaining the rating of any Conduit Lender's Notes or as contemplated by 17 CFR 240.17g-5(a)(3), (v) at the request of a bank examiner or other regulatory authority or in connection with an examination of any of the Administrative Agent, any Group Agent or any Lender or their respective Affiliates or Program Support Providers or (vi) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided,* that, in the case of clause (vi) above, the Administrative Agent, each Group Agent and each Lender will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Borrower and the Servicer of its making any such disclosure as promptly as reasonably practicable thereafter. Each of the Administrative Agent, each Group Agent and each Lender, severally and with respect to itself only, agrees to be responsible for any breach of this Section by its Representatives, Advisors and Program Support Providers and agrees that its

Representatives, Advisors and Program Support Providers will be advised by it of the confidential nature of such information and shall agree to comply with this Section.

(c) As used in this Section, (i) " *Advisors* " means, with respect to any Person, such Person's accountants, attorneys and other confidential advisors and (ii) " *Representatives* " means, with respect to any Person, such Person's Affiliates, Subsidiaries, directors, managers, officers, employees, members, investors, financing sources (other than any Credit Party), insurers, professional advisors, representatives and agents; *provided* that such persons shall not be deemed to Representatives of a Person unless (and solely to the extent that) confidential information is furnished to such person.

(d) Notwithstanding the foregoing, to the extent not inconsistent with applicable securities laws, each party hereto (and each of its employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as defined in Section 1.6011-4 of the Treasury Regulations and applicable state and local tax law) of the transactions contemplated by the Transaction Documents and all materials of any kind (including opinions or other tax analyses) that are provided to such Person relating to such tax treatment and tax structure.

Section 14.07. GOVERNING LAW . THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF ADMINISTRATIVE AGENT OR ANY LENDER IN THE COLLATERAL IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).

Section 14.08. Execution in Counterparts . This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

Section 14.09. Integration; Binding Effect; Survival of Termination . This Agreement and the other Transaction Documents contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall create and constitute the continuing obligations of the parties hereto in accordance with its terms and shall remain in full force and effect until the Final Payout Date; *provided, however,* that the provisions of Sections 5.01, 5.02, 5.03, 11.04, 11.06, 12.04, 13.01, 13.02, 14.04, 14.05, 14.07, 14.09, 14.11 and 14.13 shall survive any termination of this Agreement.

Section 14.10. Consent to Jurisdiction . (a) Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York state or federal court sitting in New York City, New York in any action or proceeding arising out of or relating to this Agreement, and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York state court or, to the extent permitted by applicable law, in such federal court. The parties hereto hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The parties hereto agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the Borrower and the Servicer consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to it at its address specified in Section 14.02. Nothing in this Section 14.10 shall affect the right of the Administrative Agent or any other Credit Party to serve legal process in any other manner permitted by applicable law.

Section 14.11. Waiver of Jury Trial . Each party hereto hereby waives, to the maximum extent permitted by applicable law, trial by jury in any judicial proceeding involving, directly or indirectly, any matter (whether sounding in tort, contract or otherwise) in any way arising out of, related to, or connected with this Agreement or any other Transaction Document.

Section 14.12. Ratable Payments . If any Credit Party, whether by setoff or otherwise, has payment made to it with respect to any Borrower Obligations in a greater proportion than that received by any other Credit Party entitled to receive a ratable share of such Borrower Obligations, such Credit Party agrees, promptly upon demand, to purchase for cash without recourse or warranty a portion of such Borrower Obligations held by the other Credit Parties so that after such purchase each Credit Party will hold its ratable proportion of such Borrower Obligations; *provided* that if all or any portion of such excess amount is thereafter recovered from such Credit Party, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 14.13. Limitation of Liability . (a) No claim may be made by the Borrower or any Affiliate thereof or any other Person against any Credit Party or their respective Affiliates, members, directors, officers, employees, incorporators, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Transaction Document, or any act, omission or event occurring in connection herewith or therewith; and each of the Borrower and the Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. None of the Credit Parties and their respective Affiliates shall have any liability to the Borrower or any Affiliate thereof or any other Person asserting claims on behalf of or in right of the Borrower or any Affiliate thereof in connection with or as a result of

this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, except to the extent that any losses, claims, damages, liabilities or expenses incurred by the Borrower or any Affiliate thereof result from the gross negligence or willful misconduct of such Credit Party in performing its duties and obligations hereunder and under the other Transaction Documents to which it is a party.

(b) The obligations of the Administrative Agent and each of the other Credit Parties under this Agreement and each of the Transaction Documents are solely the corporate obligations of such Person. No recourse shall be had for any obligation or claim arising out of or based upon this Agreement or any other Transaction Document against any member, director, officer, employee or incorporator of any such Person.

Section 14.14. Intent of the Parties . The Borrower has structured this Agreement with the intention that the Loans and the obligations of the Borrower hereunder will be treated under United States federal, and applicable state, local and foreign tax law as debt (the " Intended Tax Treatment "). The Borrower, the Servicer, the Administrative Agent and the other Credit Parties agree to file no tax return, or take any action, inconsistent with the Intended Tax Treatment unless required by applicable law. Each assignee and each Participant acquiring an interest in a Credit Extension, by its acceptance of such assignment or participation, agrees to comply with the immediately preceding sentence.

Section 14.15. USA Patriot Act . Each of the Administrative Agent and each of the other Credit Parties hereby notifies the Borrower and the Servicer that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the " Patriot Act "), the Administrative Agent and the other Credit Parties may be required to obtain, verify and record information that identifies the Borrower, the Servicer and the Performance Guarantor, which information includes the name, address, tax identification number and other information regarding the Borrower and the Servicer that will allow the Administrative Agent and the other Credit Parties to identify the Borrower, the Servicer and the Performance Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. Each of the Borrower, the Servicer and the Performance Guarantor agrees to provide the Administrative Agent and each other Credit Parties, from time to time, with all documentation and other information required by bank regulatory authorities under "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

Section 14.16. Right of Setoff . Each Credit Party is hereby authorized (in addition to any other rights it may have), at any time during the continuance of an Event of Default, to setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by such Credit Party (including by any branches or agencies of such Credit Party) to, or for the account of, the Borrower or the Servicer against amounts owing by the Borrower or the Servicer hereunder (even if contingent or unmatured); *provided* that such Credit Party shall notify the Borrower or the Servicer, as applicable, promptly following such setoff.

Section 14.17. Severability . Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 14.18. Mutual Negotiations . This Agreement and the other Transaction Documents are the product of mutual negotiations by the parties thereto and their counsel, and no party shall be deemed the draftsperson of this Agreement or any other Transaction Document or any provision hereof or thereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Agreement or any other Transaction Document, such inconsistency or ambiguity shall not be interpreted against any party because of such party's involvement in the drafting thereof.

Section 14.19. Captions and Cross References . The various captions (including the table of contents) in this Agreement are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Agreement. Unless otherwise indicated, references in this Agreement to any Section, Schedule or Exhibit are to such Section Schedule or Exhibit to this Agreement, as the case may be, and references in any Section, subsection, or clause to any subsection, clause or subclause are to such subsection, clause or subclause of such Section, subsection or clause.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ZEBRA TECHNOLOGIES RSC, LLC,
as the Borrower

By: /s/ Michael Kim

Name:

Michael Kim

Title:

Director

ZEBRA TECHNOLOGIES INTERNATIONAL, LLC,
as the Servicer

By: /s/ Michael Cho

Name: Michael Cho

Title: Manager

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for the PNC Group

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Lender

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

PNC CAPITAL MARKETS LLC,
as Structuring Agent

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

Exhibit 21.1

Subsidiaries of Registrant

Zebra Technologies Corporation – a Delaware corporation (NASDAQ listing: ZBRA)
Genuine Zebra Technologies Trading (Shanghai) Co., Ltd. – a PRC limited liability company
Hart Systems, Ltd. – a UK limited private company
Laser Band, LLC – a Missouri limited liability company
Psion (Shanghai) Wireless Technologies Co., Ltd. – a PRC limited liability company
Psion (UK) Limited – a UK limited private company
Psion Africa (Proprietary) Limited – a South African private company
Psion ApS – a Danish private limited company
Psion de Argentina S.A. – an Argentinean limited private company
Psion Digital Limited – a UK limited private company
Psion Holdings Limited – a UK limited private company
Psion Investments Canada – a UK company unlimited with shares
Psion Investments Limited – a UK limited private company
Psion SARL – a Swiss limited liability company
Psion Shared Services Limited – a UK limited private company
Psion Systems India Private Limited – an Indian private limited company
Psion Teklogix do Brasil Ltda – a Brazilian limited liability company
Psion Teklogix, S.A. de C.V. – a Mexican limited liability company
Symbol Technologies Africa, LLC – a Delaware limited liability company
Symbol Technologies Do Brasil S.A. – a Brazilian limited liability company
Symbol Technologies Holdings Do Brasil Ltda. – a Brazilian limited liability company
SYMBOL TECHNOLOGIES INDIA PRIVATE LIMITED – an Indian private limited company
Symbol Technologies International, LLC – a Delaware limited liability company
Symbol Technologies Latin America, LLC – a Delaware limited liability company
Symbol Technologies, LLC – a Delaware limited liability company
Telxon Corporation – a Delaware corporation
Zebra Diamond Holdings Limited – a UK private limited company
Zebra Enterprise Israel Ltd. – an Israeli private limited company
Zebra Jersey Holdings I Limited – a Jersey private limited company
Zebra Jersey Holdings II Limited – a Jersey private limited company
Zebra Luxco I S.a.r.l. – a Luxembourg limited liability company
Zebra Luxco II S.a.r.l. – a Luxembourg limited liability company
Zebra Luxco III S.a.r.l – a Luxembourg limited liability company
Zebra Retail Solutions, LLC – a Delaware limited liability company
Zebra Technical Services (Guangzhou) Co., Ltd. – a PRC limited liability company
Zebra Technologies (Barbados) FinCo SRL, a Barbados international society with restricted liability
Zebra Technologies (Hong Kong) Limited – a Hong Kong limited company
Zebra Technologies (New Zealand) Limited – a New Zealand limited company
Zebra Technologies (Thailand) Ltd. – a Bangkok private limited company
Zebra Technologies AB – a Swedish limited liability company
Zebra Technologies Asia Holding Limited – a Mauritius private company limited by shares
Zebra Technologies Asia Pacific Pte. Ltd. – a Singapore private company limited by shares
Zebra Technologies Australia Pty Ltd – a Victoria private company limited by shares
Zebra Technologies Austria GmbH – an Austrian limited liability company
Zebra Technologies B.V. – a Netherlands limited liability company
Zebra Technologies Belgium BVBA – a Belgian limited liability company
Zebra Technologies Brazil, LLC – a Delaware limited liability company
Zebra Technologies Canada, ULC – a Canadian unlimited liability company
Zebra Technologies Colombia S.A.S. – a Colombian simplified trading stock company
Zebra Technologies Colombia, LLC – a Delaware limited liability company
Zebra Technologies CZ s.r.o. – a Czech limited liability company
Zebra Technologies d.o.o. Beograd – a Serbian limited liability company
Zebra Technologies de Juarez, S. de R.L. de C.V. – a Mexican limited liability company
Zebra Technologies de México, S. de R.L. de C.V. – a Mexican limited liability company (w/ ZIH Corp)
Zebra Technologies de Reynosa, S. de R.L. de C.V. – a Mexican limited liability company
Zebra Technologies do Brasil – Comércio de Produtos de Informática Ltda. – a Brazilian limited liability company
Zebra Technologies Enterprise Corporation – a Delaware corporation
Zebra Technologies Enterprise de Mexico, S. de R.L. de C.V. – a Mexican limited liability company
Zebra Technologies Europe Limited – a private UK company limited by shares
Zebra Technologies France S.A.S. – a French limited liability company
Zebra Technologies Germany GmbH – a German limited liability company
Zebra Technologies Hellas Single Member IKE – a Greek private limited company
Zebra Technologies India Private Ltd. – an Indian private limited company
Zebra Technologies International, LLC – an Illinois limited liability company

Zebra Technologies Italy S.R.L. – an Italian limited liability company
Zebra Technologies Japan Co. Ltd. – a Japanese joint stock company
Zebra Technologies Korea YCH – a Korean limited liability company
Zebra Technologies Lanka (Private) Limited – a Sri Lanka private limited company
Zebra Technologies Magyarország Kft. – a Hungarian limited liability company
Zebra Technologies Malaysia Sdn. Bhd. – a Malaysian private limited company
Zebra Technologies Mexico, LLC – a Delaware limited liability company
Zebra Technologies MS Holdings, LLC – a Delaware limited liability company
Zebra Technologies Netherlands B.V. – a Netherlands limited liability company
Zebra Technologies Norway AS – a Norweigan limited company
Zebra Technologies RSC, LLC – a Delaware limited liability company
Zebra Technologies Russia OOO – a Russian limited liability company
Zebra Technologies Spain, S.L. – a Spanish limited liability company
Zebra Technologies Sp. z.o.o. – a Polish limited liability company
Zebra Technologies Taiwan Co., Ltd. – a Taiwanese limited liability company
Zebra Technologies Thailand LLC – a Delaware limited liability company
Zebra Technologies UK Limited – a UK private limited company
Zebra Teknolojileri Sistem Cozumleri Anonim Sirketa – a Turkish joint stock company
ZIH Corp. – a Delaware corporation
ZTP Portugal, Unipessoal, Lda – a Portuguese private limited company

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-135179, 333-174616 and 333-204296) pertaining to the Long Term Incentive Plan of Zebra Technologies Corporation of our reports dated February 22, 2018, with respect to the consolidated financial statements and schedule listed at Item 15 of Zebra Technologies Corporation, and the effectiveness of internal control over financial reporting of Zebra Technologies Corporation, included in this Annual Report (Form 10-K) for the year ended December 31, 2017.

/s/ Ernst & Young LLP

Chicago, Illinois
February 22, 2018

Exhibit 31.1

CERTIFICATION

I, Anders Gustafsson, certify that:

1. I have reviewed this report on Form 10-K of Zebra Technologies Corporation (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact 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 the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we 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 effect, 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 22, 2018 By: /s/ Anders Gustafsson

Anders Gustafsson
Chief Executive Officer

CERTIFICATION

I, Olivier Leonetti, certify that:

1. I have reviewed this report on Form 10-K of Zebra Technologies Corporation (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact 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 the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we 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 effect, 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 22, 2018 By: /s/ Olivier Leonetti

Olivier Leonetti
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Zebra Technologies Corporation (the "Company") on Form 10-K for the period that ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof, I, Anders Gustafsson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2018 By: /s/ Anders Gustafsson

Anders Gustafsson
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Zebra Technologies Corporation (the "Company") on Form 10-K for the period that ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof, I, Olivier Leonetti, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2018 By: /s/ Olivier Leonetti

Olivier Leonetti
Chief Financial Officer