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DELTA REPORT

10-Q

LHX - L3HARRIS TECHNOLOGIES, IN

10-Q - MARCH 29, 2024 COMPARED TO 10-Q - SEPTEMBER 29, 2023

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TOTAL DELTAS 63313

 CHANGES 196

 DELETIONS 1182

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended **September 29, 2023** **March 29, 2024**

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 1-3863

L3HARRIS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

34-0276860

(State or other jurisdiction of incorporation or organization)

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

1025 West NASA Boulevard

Melbourne, Florida

32919

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (321) 727-9100

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$1.00 per share	LHX	New York Stock Exchange

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

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

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

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

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

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

The number of shares outstanding of the registrant's common stock as of **October 20, 2023** **April 19, 2024** was **189,540,249** **189,680,354**.

L3HARRIS TECHNOLOGIES, INC.
FORM 10-Q
For the Quarter Ended September 29, 2023 March 29, 2024

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This Quarterly Report on Form 10-Q (this "Report") contains trademarks, service marks and registered marks of L3Harris Technologies, Inc. and its subsidiaries. All other trademarks are the property of their respective owners.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

(In millions, except per share amounts)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Revenue from product sales and services	\$ 4,915	\$ 4,246	\$ 14,079	\$ 12,484
Cost of product sales and services	(3,608)	(3,052)	(10,371)	(8,819)
Engineering, selling and administrative expenses	(828)	(742)	(2,384)	(2,239)
Sale of asset group and business divestiture-related gains, net	—	—	26	8
Impairment of goodwill and other assets	—	(802)	(78)	(802)
Non-operating income, net	80	99	245	313
Interest expense, net	(159)	(70)	(372)	(205)
Income (loss) before income taxes	400	(321)	1,145	740
Income taxes	(18)	20	(73)	(96)
Net income (loss)	382	(301)	1,072	644
Noncontrolling interests, net of income taxes	1	1	(3)	2
Net income (loss) attributable to L3Harris Technologies, Inc.	\$ 383	\$ (300)	\$ 1,069	\$ 646
Net income (loss) per common share attributable to L3Harris Technologies, Inc. common shareholders				
Basic	\$ 2.02	\$ (1.56)	\$ 5.64	\$ 3.36
Diluted	\$ 2.02	\$ (1.56)	\$ 5.61	\$ 3.33
Basic weighted-average common shares outstanding	189.3	191.3	189.6	192.2
Diluted weighted-average common shares outstanding	190.1	191.3	190.6	194.0

(In millions, except per share amounts)	Quarter Ended	
	March 29, 2024	March 31, 2023
Revenue	\$ 5,211	\$ 4,471
Cost of revenue	(3,863)	(3,305)
General and administrative expenses	(970)	(773)
Operating income	378	393
Non-service FAS pension income and other, net ⁽¹⁾	88	82
Interest expense, net	(176)	(102)
Income before income taxes	290	373
Income taxes	(5)	(34)
Net income	285	339
Noncontrolling interests, net of income taxes	(2)	(2)
Net income attributable to L3Harris Technologies, Inc.	\$ 283	\$ 337
Net income per common share attributable to L3Harris Technologies, Inc. common shareholders		
Basic	\$ 1.49	\$ 1.77
Diluted	\$ 1.48	\$ 1.76
Basic weighted-average common shares outstanding	189.8	190.2
Diluted weighted-average common shares outstanding	190.8	191.2

(1) "FAS" is defined as Financial Accounting Standards.

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(In millions)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Net income (loss)	\$ 382	\$ (301)	\$ 1,072	\$ 644
Other comprehensive loss:				
Foreign currency translation loss, net of income taxes	(45)	(120)	(10)	(196)
Net unrealized (loss) income on hedging derivatives, net of income taxes	(3)	(12)	6	(14)
Other comprehensive loss, recognized during the period	(48)	(132)	(4)	(210)
Reclassification adjustments for gains included in net income	(10)	(2)	(29)	(10)
Other comprehensive loss, net of income taxes	(58)	(134)	(33)	(220)
Total comprehensive income (loss)	324	(435)	1,039	424
Comprehensive loss (income) attributable to noncontrolling interest	1	1	(3)	2
Total comprehensive income (loss) attributable to L3Harris Technologies, Inc.	<u>\$ 325</u>	<u>\$ (434)</u>	<u>\$ 1,036</u>	<u>\$ 426</u>

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Net income	\$ 285	\$ 339
Other comprehensive loss:		
Foreign currency translation (loss) income, net of income taxes	(26)	7
Net unrealized (loss) income on hedging derivatives, net of income taxes	(3)	5
Other comprehensive (loss) income recognized during the period	(29)	12
Reclassification adjustments for gains included in net income	(7)	(12)
Other comprehensive loss, net of income taxes	(36)	—
Total comprehensive income	249	339
Comprehensive income attributable to noncontrolling interest	(2)	(2)
Total comprehensive income attributable to L3Harris Technologies, Inc.	<u>\$ 247</u>	<u>\$ 337</u>

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Operating Activities		
Net income	\$ 285	\$ 339
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Amortization of acquisition-related intangibles	217	165
Depreciation and other amortization	103	85
Share-based compensation	26	23
Share-based matching contributions under defined contribution plans	70	57
Pension and other postretirement benefit plan income	(72)	(71)
Deferred income taxes	(111)	(115)
(Increase) decrease in:		
Receivables, net	7	48
Contract assets	(340)	(269)
Inventories	(21)	(86)
Other current assets	10	(40)
Increase (decrease) in:		
Accounts payable	9	90
Contract liabilities	(152)	97
Compensation and benefits	(170)	(115)
Other accrued items	(18)	63
Income taxes	103	130
Other operating activities	(50)	(51)
Net cash (used in) provided by operating activities	(104)	350
Investing Activities		
Net cash paid for acquired businesses	—	(1,973)
Additions to property, plant and equipment	(115)	(71)
Other investing activities	(1)	(4)
Net cash used in investing activities	(116)	(2,048)
Financing Activities		
Proceeds from borrowings, net of issuance cost	2,237	2,248
Repayments of borrowings	(2,250)	(255)
Change in commercial paper, maturities under 90 days, net	326	—
Proceeds from commercial paper, maturities over 90 days	480	—
Repayments of commercial paper, maturities over 90 days	(205)	—
Proceeds from exercises of employee stock options	35	11
Repurchases of common stock	(233)	(396)
Cash dividends	(224)	(220)
Other financing activities	(22)	(27)
Net cash provided by financing activities	144	1,361

Effect of exchange rate changes on cash and cash equivalents	(7)	2
Net decrease in cash and cash equivalents	(83)	(335)
Cash and cash equivalents, beginning of period	560	880
Cash and cash equivalents, end of period	\$ 477	\$ 545

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET STATEMENT OF CASH FLOWS
(Uncaudited)

(In millions, except shares)	September 29, 2023	December 30, 2022
Assets		
<i>Current assets</i>		
Cash and cash equivalents	\$ 499	\$ 880
Receivables, net of allowances for collection losses of \$24 and \$40, respectively	1,381	1,251
Contract assets	3,477	2,987
Inventories	1,638	1,291
Income taxes receivable	43	40
Other current assets	463	258
Assets of business held for sale	—	47
Total current assets	7,501	6,754
<i>Non-current assets</i>		
Property, plant and equipment, net	2,818	2,104
Operating lease right-of-use assets	758	756
Goodwill	20,736	17,283
Other intangible assets, net	9,050	6,001
Deferred income taxes	87	73
Recoverable environmental remediation costs	382	—
Other non-current assets	961	553
Total assets	\$ 42,293	\$ 33,524
Liabilities and equity		
<i>Current liabilities</i>		
Short-term debt	\$ 2,033	\$ 2
Accounts payable	2,112	1,945
Contract liabilities	1,940	1,400
Compensation and benefits	461	398
Other accrued items	1,190	818
Income taxes payable	383	376
Current portion of long-term debt, net	363	818
Liabilities of business held for sale	—	19
Total current liabilities	8,482	5,776

<i>Non-current liabilities</i>		
Defined benefit plans	404	262
Operating lease liabilities	736	741
Long-term debt, net	11,140	6,225
Deferred income taxes	812	719
Reserves for environmental remediation costs	524	107
Other long-term liabilities	1,479	1,070
Total liabilities	23,577	14,900
<i>Equity</i>		
Shareholders' Equity:		
Preferred stock, without par value; 1,000,000 shares authorized; none issued	—	—
Common stock, \$1.00 par value; 500,000,000 shares authorized; issued and outstanding 189,439,991 and 190,611,458 shares at September 29, 2023 and December 30, 2022, respectively	189	191
Other capital	15,470	15,677
Retained earnings	3,278	2,943
Accumulated other comprehensive loss	(321)	(288)
Total shareholders' equity	18,616	18,523
Noncontrolling interests	100	101
Total equity	18,716	18,624
Total liabilities and equity	\$ 42,293	\$ 33,524

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Operating Activities		
Net income	\$ 285	\$ 339
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Amortization of acquisition-related intangibles	217	165
Depreciation and other amortization	103	85
Share-based compensation	26	23
Share-based matching contributions under defined contribution plans	70	57
Pension and other postretirement benefit plan income	(72)	(71)
Deferred income taxes	(111)	(115)
(Increase) decrease in:		
Receivables, net	7	48
Contract assets	(340)	(269)
Inventories	(21)	(86)
Other current assets	10	(40)
Increase (decrease) in:		
Accounts payable	9	90
Contract liabilities	(152)	97
Compensation and benefits	(170)	(115)
Other accrued items	(18)	63
Income taxes	103	130
Other operating activities	(50)	(51)
Net cash (used in) provided by operating activities	(104)	350

Investing Activities		
Net cash paid for acquired businesses	—	(1,973)
Additions to property, plant and equipment	(115)	(71)
Other investing activities	(1)	(4)
Net cash used in investing activities	(116)	(2,048)
Financing Activities		
Proceeds from borrowings, net of issuance cost	2,237	2,248
Repayments of borrowings	(2,250)	(255)
Change in commercial paper, maturities under 90 days, net	326	—
Proceeds from commercial paper, maturities over 90 days	480	—
Repayments of commercial paper, maturities over 90 days	(205)	—
Proceeds from exercises of employee stock options	35	11
Repurchases of common stock	(233)	(396)
Cash dividends	(224)	(220)
Other financing activities	(22)	(27)
Net cash provided by financing activities	144	1,361
Effect of exchange rate changes on cash and cash equivalents	(7)	2
Net decrease in cash and cash equivalents	(83)	(335)
Cash and cash equivalents, beginning of period	560	880
Cash and cash equivalents, end of period	\$ 477	\$ 545

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

(In millions)	Three Quarters Ended	
	September 29, 2023	September 30, 2022
Operating Activities		
Net income	\$ 1,072	\$ 644
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of acquisition-related intangibles	546	454
Depreciation and other amortization	270	243
Share-based compensation	67	92
Share-based matching contributions under defined contribution plans	172	161
Pension and other postretirement benefit plan income	(209)	(297)
Impairment of goodwill and other assets	78	802
Sale of asset group and business divestiture-related gains, net	(26)	(8)
Deferred income taxes	(277)	(454)
(Increase) decrease in:		

Receivables, net	53	(93)
Contract assets	(136)	(111)
Inventories	(195)	(357)
Other current assets	(87)	26
Increase (decrease) in:		
Accounts payable	(18)	312
Contract liabilities	202	(133)
Compensation and benefits	(55)	(95)
Other accrued items	(27)	2
Income taxes	15	259
Other operating activities	(138)	(71)
Net cash provided by operating activities	1,307	1,376
Investing Activities		
Net cash paid for acquired businesses	(6,688)	—
Additions to property, plant and equipment	(312)	(181)
Proceeds from sale of property, plant and equipment, net	—	10
Proceeds from sales of businesses, net	71	5
Proceeds from sale of asset group, net	—	18
Cash used for equity investments	(11)	(47)
Other investing activities	2	7
Net cash used in investing activities	(6,938)	(188)
Financing Activities		
Proceeds from borrowings, net of issuance cost	7,568	5
Repayments of borrowings	(3,159)	(12)
Change in commercial paper, net ⁽¹⁾	2,031	—
Proceeds from exercises of employee stock options	18	40
Repurchases of common stock	(518)	(900)
Cash dividends	(652)	(650)
Tax withholding payments associated with vested share-based awards	(28)	(44)
Other financing activities	(6)	(5)
Net cash provided by (used in) financing activities	5,254	(1,566)
Effect of exchange rate changes on cash and cash equivalents	(4)	(34)
Net decrease in cash and cash equivalents	(381)	(412)
Cash and cash equivalents, beginning of period	880	941
Cash and cash equivalents, end of period	\$ 499	\$ 529

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Operating Activities		
Net income		
Net income	\$ 285	\$ 339
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Amortization of acquisition-related intangibles	217	165
Depreciation and other amortization	103	85
Share-based compensation	26	23
Share-based matching contributions under defined contribution plans	70	57
Pension and other postretirement benefit plan income	(72)	(71)

Deferred income taxes	(111)	(115)
(Increase) decrease in:		
Receivables, net	7	48
Contract assets	(340)	(269)
Inventories	(21)	(86)
Other current assets	10	(40)
Increase (decrease) in:		
Accounts payable	9	90
Contract liabilities	(152)	97
Compensation and benefits	(170)	(115)
Other accrued items	(18)	63
Income taxes	103	130
Other operating activities	(50)	(51)
Net cash (used in) provided by operating activities	(104)	350
Investing Activities		
Net cash paid for acquired businesses	—	(1,973)
Additions to property, plant and equipment	(115)	(71)
Other investing activities	(1)	(4)
Net cash used in investing activities	(116)	(2,048)
Financing Activities		
Proceeds from borrowings, net of issuance cost	2,237	2,248
Repayments of borrowings	(2,250)	(255)
Change in commercial paper, maturities under 90 days, net	326	—
Proceeds from commercial paper, maturities over 90 days	480	—
Repayments of commercial paper, maturities over 90 days	(205)	—
Proceeds from exercises of employee stock options	35	11
Repurchases of common stock	(233)	(396)
Cash dividends	(224)	(220)
Other financing activities	(22)	(27)
Net cash provided by financing activities	144	1,361
Effect of exchange rate changes on cash and cash equivalents	(7)	2
Net decrease in cash and cash equivalents	(83)	(335)
Cash and cash equivalents, beginning of period	560	880
Cash and cash equivalents, end of period	\$ 477	\$ 545

(1) See Note H: Debt and Credit Arrangements in the accompanying Notes to the Condensed Consolidated Financial Statements. Statements (Unaudited).

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(In millions, except shares)

March 29, 2024

December 29, 2023

Assets

Current assets			
Cash and cash equivalents	\$ 477	\$ 560	560
Receivables, net of allowances for collection losses of \$13 and \$15, respectively	1,209	1,230	1,230
Contract assets	3,502	3,196	3,196
Inventories	1,476	1,472	1,472
Other current assets	466	491	491
Assets of business held for sale	1,136	1,106	1,106
Total current assets	8,266	8,055	
Non-current assets			
Property, plant and equipment, net	2,836	2,862	2,862
Goodwill	20,070	19,979	19,979
Other intangible assets, net	8,340	8,540	8,540
Deferred income taxes	113	91	91
Other non-current assets	2,191	2,160	2,160
Total assets	\$ 41,816	\$ 41,687	
Liabilities and equity			
Current liabilities			
Short-term debt	\$ 2,203	\$ 1,602	1,602
Current portion of long-term debt, net	365	363	363
Accounts payable	2,112	2,106	2,106
Contract liabilities	1,777	1,900	1,900
Compensation and benefits	379	544	544
Other accrued items	1,174	1,129	1,129
Income taxes payable	182	88	88
Liabilities of business held for sale	245	272	272
Total current liabilities	8,437	8,004	
Non-current liabilities			
Long-term debt, net	11,140	11,160	11,160
Deferred income taxes	683	815	815
Other long-term liabilities	2,826	2,879	2,879
Total liabilities	23,086	22,858	
Equity			
Shareholders' Equity:			
Preferred stock, without par value; 1,000,000 shares authorized; none issued	—	—	—
Common stock, \$1.00 par value; 500,000,000 shares authorized; issued and outstanding 189,463,015 and 189,808,581 shares at March 29, 2024 and December 29, 2023, respectively	189	190	190
Paid-in capital	15,472	15,553	15,553
Retained earnings	3,239	3,220	3,220
Accumulated other comprehensive loss	(234)	(198)	(198)
Total shareholders' equity	18,666	18,765	
Noncontrolling interests	64	64	
Total equity	18,730	18,829	
Total liabilities and equity	\$ 41,816	\$ 41,687	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)

(In millions, except per share amounts)	(In millions, except per share amounts)	Accumulated						(in millions, except per share amounts)	Common Stock	Other Capital	Retained Earnings	Comprehensive Loss	Controlling Interests	Total Equity	Accumulated			
		Other	Non-	Other	Non-	Other	Non-								Other	Non-	Total	
Balance at June 30, 2023		\$ 189	\$15,391	\$ 3,111	\$ (263)	\$ 103	\$18,531											
Net income (loss)		—	—	383	—	(1)	382											
Other comprehensive loss, net of income taxes		—	—	—	(58)	—	(58)											
Shares issued under stock incentive plans		—	5	—	—	—	—								5			
Shares issued under defined contribution plans		—	51	—	—	—	—								51			
Share-based compensation expense		—	22	—	—	—	—								22			
Cash dividends (\$1.14 per share)		—	—	(216)	—	—	(216)											
Other		—	1	—	—	(2)	(1)											
Balance at September 29, 2023		\$ 189	\$15,470	\$ 3,278	\$ (321)	\$ 100	\$18,716											
Balance as of July 1, 2022		\$ 192	\$15,814	\$ 3,312	\$ (232)	\$ 104	\$19,190											
Net loss		—	—	(300)	—	(1)	(301)											
Balance at December 29, 2023																		
Balance at December 29, 2023																		
Balance at December 29, 2023																		
Net income																		
Other comprehensive loss, net of income taxes	Other comprehensive loss, net of income taxes	—	—	—	(134)	—	(134)											
Shares issued under stock incentive plans	Shares issued under stock incentive plans	—	6	—	—	—	—								6			
Shares issued under defined contribution plans	Shares issued under defined contribution plans	—	48	—	—	—	—								48			
Share-based compensation expense	Share-based compensation expense	—	23	—	—	—	—								23			
Tax withholding payments on share-based awards	Tax withholding payments on share-based awards	—	(6)	—	—	—	—								(6)			

Repurchases and retirement of common stock	Repurchases and retirement of common stock	(1)	(141)	(29)	—	—	(171)
Cash dividends (\$1.12 per share)	—	—	(215)	—	—	(215)	
Cash dividends (\$1.16 per share)							
Other	Other	—	—	—	—	(1)	(1)
Balance as of September 30, 2022	\$ 191	\$15,744	\$ 2,768	\$ (366)	\$ 102	\$18,439	
Balance at							
March 29, 2024							
Balance as of December 30, 2022							
Balance as of December 30, 2022							
Balance as of December 30, 2022							
Net income							
Shares issued under stock incentive plans							
Shares issued under stock incentive plans							
Shares issued under stock incentive plans							
Shares issued under defined contribution plans							
Share-based compensation expense							
Tax withholding payments on share-based awards							
Repurchases and retirement of common stock							
Cash dividends (\$1.14 per share)							
Other							
Balance as of							
March 31, 2023							

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

L3HARRIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF EQUITY (continued)
(Unaudited)

(In millions, except per share amounts)	Common Stock	Other Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Non-controlling Interests		Total Equity
Balance at December 30, 2022	\$ 191	\$ 15,677	\$ 2,943	\$ (288)	\$ 101	\$ 18,624	
Net income	—	—	1,069	—	3	—	1,072
Other comprehensive loss, net of income taxes	—	—	—	(33)	—	—	(33)
Shares issued under stock incentive plans	—	18	—	—	—	—	18
Shares issued under defined contribution plans	1	171	—	—	—	—	172
Share-based compensation expense	—	67	—	—	—	—	67
Tax withholding payments on share-based awards	—	(28)	—	—	—	—	(28)
Repurchases and retirement of common stock	(3)	(433)	(82)	—	—	—	(518)
Cash dividends (\$3.42 per share)	—	—	(652)	—	—	—	(652)
Other	—	(2)	—	—	(4)	—	(6)
Balance at September 29, 2023	\$ 189	\$ 15,470	\$ 3,278	\$ (321)	\$ 100	\$ 18,716	
Balance as of December 31, 2021	\$ 194	\$ 16,248	\$ 2,917	\$ (146)	\$ 106	\$ 19,319	
Net income (loss)	—	—	646	—	(2)	—	644
Other comprehensive loss, net of income taxes	—	—	—	(220)	—	—	(220)
Shares issued under stock incentive plans	—	40	—	—	—	—	40
Shares issued under defined contribution plans	1	160	—	—	—	—	161
Share-based compensation expense	—	92	—	—	—	—	92
Tax withholding payments on share-based awards	—	(44)	—	—	—	—	(44)
Repurchases and retirement of common stock	(4)	(752)	(144)	—	—	—	(900)
Cash dividends (\$3.36 per share)	—	—	(650)	—	—	—	(650)
Other	—	—	(1)	—	(2)	—	(3)
Balance as of September 30, 2022	\$ 191	\$ 15,744	\$ 2,768	\$ (366)	\$ 102	\$ 18,439	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE A: BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying Condensed Consolidated Financial Statements include the accounts of L3Harris Technologies, Inc. and its consolidated subsidiaries. As used in these notes to Condensed Consolidated Financial Statements (these "Notes"), the terms "L3Harris," "Company," "we," "our" and "us" refer to L3Harris Technologies, Inc. and its consolidated subsidiaries. Intracompany transactions and accounts have been eliminated.

The accompanying Condensed Consolidated Financial Statements have been prepared by L3Harris in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Accordingly, such interim financial statements do not include all information and footnotes necessary for a complete presentation of financial condition, results of operations, cash flows and equity in conformity with GAAP for annual financial statements and are not necessarily indicative of the results that may be expected for the full fiscal year or any subsequent period.

In the opinion of management, such interim financial statements reflect all adjustments (including normal recurring adjustments) considered necessary for a fair presentation of our financial condition, results of operations, cash flows and equity for the periods presented therein. The balance sheet at December 30, 2022 December 29, 2023 has been derived from our audited financial statements, but does not include all of the information and footnotes required by GAAP for annual financial statements. The accompanying Condensed Consolidated Financial Statements should be read in conjunction with *Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* and the Consolidated Financial Statements and accompanying Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 30, 2022 December 29, 2023 (our "Fiscal 2022 2023 Form 10-K").

Business Realignment. Effective for fiscal 2023, which began December 31, 2022, we adjusted our reporting to better align our businesses and transferred our Agile Development Group ("ADG") business from our Integrated Mission Systems ("IMS") segment to our Space & Airborne Systems ("SAS") segment.

The historical results, discussion and presentation of our business segments as set forth in the accompanying Condensed Consolidated Financial Statements and these Notes reflect the impact of these changes for all periods presented in order to present segment information on a comparable basis. There is no impact on our previously reported consolidated statements of operations, balance sheets, statements of cash flows or statements of equity resulting from these changes.

See Note G: *Goodwill and Other Intangible Assets* and Note O: *Business Segment Information* in these Notes for further information.

Acquisition of Aerojet Rocketdyne Holdings, Inc. ("AJRD") and New Business Segment. On July 28, 2023 we completed the acquisition of AJRD. Upon completion of the acquisition, we established a new reportable segment, Aerojet Rocketdyne ("AR"). The operations of AJRD are reported in the newly established AR segment and in our corporate segment. The AR segment consists of missile solutions with technologies for strategic defense, missile defense, and hypersonic and tactical systems, as well as space propulsion and power systems for national security space and exploration missions.

See Note B: *Acquisitions, Divestitures and Asset Sales* and Note O: *Business Segment Information* in these Notes for further information.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the amounts reported in the accompanying Condensed Consolidated Financial Statements and these Notes and related disclosures. These estimates and assumptions are based on experience and other information available prior to issuance of the accompanying Condensed Consolidated Financial Statements and these Notes. Materially different results can occur as circumstances change and additional information becomes known.

Reclassifications Recently Issued Accounting Pronouncements

The classification of certain prior year amounts have been adjusted in our Condensed Consolidated Financial Statements and these Notes to conform to current year classifications.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Accounting Standards Updates

In October 2021, November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-08, *Business Combinations* 2023-07, Segment Reporting (Topic 805) 280: *Accounting Improvements to Reportable Segment Disclosures* (ASU 2023-07). This accounting standard requires additional segment disclosures on an annual and interim basis, including significant segment expenses that are regularly provided to the chief operating decision maker. The standard does not change how operating segments and reportable segments are determined. ASU 2023-07 is effective for *Contract Assets* annual reporting periods beginning after December 15, 2023 and *Contract Liabilities from Contracts* interim reporting periods beginning after December 15, 2024. The standard is required to be applied retrospectively to all periods presented in the consolidated financial statements. We plan to adopt the standard for fiscal 2024. We are evaluating the impact of ASU 2023-07 and expect the standard will only impact our segment disclosures with *Customers*, which requires entities no material impact to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with the consolidated financial statements.

In December 2023, the FASB issued Accounting Standards Codification ("ASC") 2014-09, *Revenue from Contracts with Customers* Update 2023-09, *Income Taxes* (Topic 606) 740: *Improvements to Income Tax Disclosures* (ASU 2023-09). The update generally results in This accounting standard requires disaggregated income tax disclosures on an entity recognizing contract assets annual basis, including information on our effective income tax rate reconciliation and contract liabilities at amounts consistent with those recorded by the acquiree immediately before the acquisition date rather than at fair value. The new standard income taxes paid. ASU 2023-09 is effective on a prospective basis for fiscal years annual reporting periods beginning after December 15, 2022 December 15, 2024, with early adoption permitted and may be applied prospectively or retrospectively. We adopted are evaluating the new standard effective December 31, 2022. On January 3, 2023 and July 28, 2023 we completed the acquisitions of Viasat, Inc.'s Tactical Data Links product line ("TDL") and AJRD, respectively. We applied the provisions impact of ASU 2021-08 2023-09 and expect the standard will only impact our income taxes disclosures with no material impact to the consolidated financial statements.

Significant Accounting Policies Update

There have been no material changes to our significant accounting policies described in our purchase accounting for both acquisitions, and adoption of the new standard did not have a material impact on our operating results, financial position, or cash flows. For more information regarding the TDL and AJRD acquisitions, see *Note B: Acquisitions, Divestitures and Asset Sales* in these Notes.

NOTE B: ACQUISITIONS, DIVESTITURES AND ASSET SALES

Acquisition of Viasat's TDL

On January 3, 2023, we completed the acquisition of TDL for a purchase price of \$1.958 billion. The acquisition, which qualified as a business acquisition, enhances our networking capability and provides access to the ubiquitous Link 16 waveform, better positioning us to enable the U.S. Department of Defense ("DoD") integrated architecture goal in joint all-domain command and control ("JADC2").

On November 22, 2022, we established a \$2.25 billion, three-year senior unsecured term loan facility by entering into a Loan Agreement ("Term Loan 2025") with a syndicate of lenders, in part, to finance the acquisition. See *Note H: Debt and Credit Arrangements* in these Notes for further information regarding Term Loan 2025.

Net assets and results of operations of TDL are reflected in our financial results commencing on January 3, 2023, the acquisition date, and are reported within our Communication Systems ("CS") segment.

We accounted for the acquisition of TDL using the acquisition method of accounting, which required us to measure identifiable assets acquired and liabilities assumed in the acquiree at their fair values as of the acquisition date, with the excess of the consideration transferred over those fair values recorded as goodwill. Our preliminary fair value estimates and assumptions are subject to change as we obtain additional information over the measurement period.

As of the acquisition date, the fair value of consideration transferred consisted of the following:

(In millions)	January 3, 2023
Purchase price	\$ 1,958
Estimated net working capital and other adjustments	15
Cash consideration paid	1,973
Settlement of preexisting relationship ⁽¹⁾	1
Fair value of consideration transferred	\$ 1,974

(1) Prior to the acquisition, we had a preexisting relationship with Viasat's TDL business in the normal course of business. As of the acquisition date, our CS segment had a receivable from Viasat's TDL business with a fair value of \$1 million that was settled in connection with the acquisition.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The following table summarizes the preliminary allocation of the fair value of consideration transferred to assets acquired and liabilities assumed as of the acquisition date and the measurement period adjustments recorded since the acquisition date through September 29, 2023:

(In millions)	January 3, 2023			
	Preliminary	Measurement Period		Preliminary
		Adjustments, Net ^{1,2}	Adjusted	
Receivables	\$ 28	\$ —	\$ 28	
Contract assets	18	11	29	
Inventories	164	(10)	154	
Other current assets	9	—	9	
Property, plant and equipment	50	—	50	
Operating lease right-of-use assets	12	—	12	
Goodwill	1,014	103	1,117	

Other intangible assets	850	(95)	755
Deferred income taxes	33	3	36
Other non-current assets	6	(1)	5
Total assets acquired	\$ 2,184	\$ 11	\$ 2,195
Accounts payable	\$ 20	\$ —	\$ 20
Contract liabilities	28	—	28
Compensation and benefits	2	—	2
Other accrued items	119	1	120
Operating lease liabilities	10	—	10
Other long-term liabilities	31	10	41
Total liabilities assumed	\$ 210	\$ 11	\$ 221
Net assets acquired	\$ 1,974	\$ —	\$ 1,974

(1) Fair value adjustments primarily related to refined assumptions in the valuation of customer relationship intangible assets.

(2) Assets acquired include \$11 million of Contract assets that were reclassified from Inventories to Contract assets to conform TDL's accounting policies with those of L3Harris, as required under ASC 805. As such, reclassified amounts will not be recognized as revenue in future periods.

Our preliminary estimates and assumptions are subject to change as we obtain additional information during the measurement period (up to one year from the acquisition date); therefore, these provisional measurements of the assets acquired and liabilities assumed are subject to change.

Intangible Assets. All intangible assets acquired in the TDL acquisition are subject to amortization. The preliminary fair value of identifiable intangible assets acquired as of the acquisition date is as follows:

	Total (In millions)	Useful Lives (In Years)
Developed technology	\$ 349	17
Customer relationships: ⁽¹⁾		
Backlog	83	2
Government programs	323	16
Total customer relationships	406	
Total identifiable intangible assets acquired	\$ 755	

(1) TDL had backlog and government programs intangible assets that we classified as customer relationships.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

We determined the fair value of assets acquired and liabilities assumed by using available market information and various valuation methods that require judgment related to estimations. The use of different estimates could produce different results. The fair value of intangible assets is estimated using the relief from royalty method for the acquired developed technology and the multi-period excess earnings method for the acquired customer relationships. Both of these level 3 fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the developed technology intangible assets, revenue growth attributable to the intangible assets and remaining useful lives. The fair value of inventory was estimated using the replacement cost approach and comparative sales method, which require estimates of replacement cost for raw materials and estimates of expected sales price less costs to complete and dispose of the inventory, plus a profit margin for efforts incurred for the work in progress and finished goods.

Forward Loss Provision. We have recorded a preliminary forward loss provision of \$86 million in connection with certain acquired contracts, which was included in the "Other accrued items" line item in our Condensed Consolidated Balance Sheet. The forward loss provisions will be recognized as a reduction to cost of sales as we incur costs to satisfy the associated performance obligations. There will be no net impact on our Condensed Consolidated Statement of

Operations. We recognized \$15 million and \$29 million for amortization of the forward loss provision during the quarter and three quarters ended September 29, 2023, respectively.

Off-market Customer Contracts. We have identified certain contractual obligations with customers with economic returns that are higher or lower than could be realized in market transactions as of the acquisition date and have recorded liabilities for the preliminary acquisition date fair value of the off-market components. The preliminary acquisition date fair value of the off-market components is a net liability of \$64 million, consisting of \$33 million and \$31 million included in the "Other accrued items" and "Other long-term liabilities" line items in our Condensed Consolidated Balance Sheet, respectively, and excludes any amounts already recognized in forward loss provisions (see discussion in the preceding paragraph). We measured the fair value of these components as the amount by which the terms of the contract with the customer deviates from the terms that a market participant could have achieved at the acquisition date. The off-market components of these contracts will be recognized as an increase to revenue as we incur costs to satisfy the associated performance obligations. We recognized \$7 million and \$22 million for amortization of off-market contract liabilities during the quarter and three quarters ended September 29, 2023, respectively. Future estimated revenue from the amortization of off-market contract liabilities (based on the estimated pattern of cash flows to be incurred to satisfy associated performance obligations) is \$11 million in the remainder of 2023, \$22 million in 2024 and immaterial amounts thereafter.

Goodwill. The \$1.117 billion of goodwill recognized is attributable to the assembled workforce, in addition to synergies expected to be realized through integration with existing CS segment businesses and growth opportunities in the space domain. The acquired goodwill is tax deductible. See Note G: Goodwill and Other Intangible Assets in these Notes for further information.

Financial Results. The following table includes revenue and income before income taxes of TDL included in our Condensed Consolidated Statement of Operations for the quarter ended September 29, 2023 and for the acquisition date through September 29, 2023 and the comparable periods of calendar year 2022. The comparable period results do not include any integration synergies or accounting conformity adjustments and are not necessarily indicative of our results of operations that actually would have been obtained had the acquisition of TDL been completed for the period presented, or which may be realized in the future.

(In millions)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Revenue	\$ 97	\$ 105	\$ 261	\$ 290
Income before income taxes	38	30	86	55

Acquisition-Related Costs. Acquisition-related costs have been expensed as incurred. In connection with the TDL acquisition, we recorded transaction and integration costs of \$10 million and \$64 million for the quarter and three quarters ended September 29, 2023, respectively, which were included in the Engineering, selling and administrative expenses line item in our Condensed Consolidated Statement of Operations.

Acquisition of AJRD

On July 28, 2023 we acquired AJRD, a technology-based engineering and manufacturing company that develops and produces missile solutions with technologies for strategic defense, missile defense, and hypersonic and tactical systems, as well as space propulsion and power systems for national security space and exploration missions. The acquisition provides us access to a new market. We acquired 100 percent of AJRD for a total net purchase price of

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

\$4.715 billion. The acquisition was financed through the issuance and sale of \$3.25 billion aggregate principal amount of new long-term fixed-rate debt and draw down under the 2023 Credit Agreement. See Note H: Debt and Credit Arrangements in these Notes for further information regarding the financing of the AJRD acquisition.

Net assets and results of operations of AJRD are reflected in our financial results commencing on July 28, 2023, the acquisition date, and are reported in our newly created AR segment and corporate headquarters.

We accounted for the acquisition of AJRD using the acquisition method of accounting, which required us to measure identifiable assets acquired and liabilities assumed in the acquiree at their fair values as of the acquisition date, with the excess of the consideration transferred over those fair values recorded as goodwill. Our preliminary fair value estimates and assumptions are subject to change as we obtain additional information over the measurement period and our measurement of certain assets and contingencies, such as intangible assets, property, plant and equipment, real estate held for development and leasing, loss contracts, environmental matters and related deferred tax impacts remain preliminary for completion of the related valuations.

As of the acquisition date, the fair value of consideration transferred consisted of the following:

(In millions)	July 28, 2023
Cash consideration paid for AJRD outstanding common stock & equity awards	\$ 4,748
AJRD debt settled by L3Harris	257
Cash consideration paid	5,005
Less cash acquired	(290)
Fair value of consideration transferred	<u><u>\$ 4,715</u></u>

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The following table summarizes the preliminary allocation of the fair value of consideration transferred to assets acquired and liabilities assumed as of the acquisition date:

(In millions)	July 28, 2023
Receivables	\$ 156
Contract assets	338
Inventories	14
Income taxes receivable	3
Other current assets	114
Property, plant and equipment	574
Operating lease right-of-use assets	51
Goodwill	2,348
Other intangible assets	2,860
Recoverable environmental remediation costs	383
Other non-current assets	175
Total assets acquired	<u><u>\$ 7,016</u></u>
Accounts payable	145
Contract liabilities	310
Compensation and benefits	116
Income taxes payable	6
Current portion of long-term debt, net	1
Other accrued items	278
Defined benefit plans	223
Operating lease liabilities	40
Long-term debt, net	41
Deferred income taxes	398
Reserves for environmental remediation costs	417
Other long-term liabilities	326
Total liabilities assumed	<u><u>\$ 2,301</u></u>
Fair value of consideration transferred	<u><u>\$ 4,715</u></u>

We determined the fair value of assets acquired and liabilities assumed by using available market information and various valuation methods that require judgment related to estimates. Due to the timing of the AJRD acquisition, our accounting for the acquisition remains preliminary. Amounts recorded associated with these assets and liabilities are based on preliminary calculations and estimates. Our preliminary estimates and assumptions are subject to change as we obtain additional information during the measurement period (up to one year from the acquisition date). Any potential adjustments made could be material in relation to the preliminary values presented above.

Intangible Assets. All intangible assets acquired in the AJRD acquisition are subject to amortization. The preliminary fair value of identifiable intangible assets acquired as of the acquisition date is as follows:

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

	Total	Useful Lives
	(In millions)	(In Years)
Trade names	\$ 120	10 - 20
Customer relationships: ⁽¹⁾		
Backlog	360	3 - 4
Government programs	2,380	15 - 25
Total customer relationships	2,740	
Total identifiable intangible assets acquired	<u><u>\$ 2,860</u></u>	

(1) AJRD had backlog and government programs intangible assets that we classified as customer relationships.

The fair value of intangible assets is estimated using the relief from royalty method for the acquired trade names and the multi-period excess earnings method for the acquired customer relationships. Both of these level 3 fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the trade names intangible assets, revenue growth attributable to the intangible assets and remaining useful lives.

Reserves for Environmental Remediation Costs and Recoverable Environmental Remediation Costs. See Note P: Legal Proceedings and Contingencies in these Notes for additional information.

Forward Loss Provision. We have recorded a preliminary forward loss provision of \$37 million which was included in "Other accrued items" line item in our Condensed Consolidated Balance Sheet. The forward loss provisions will be recognized as a reduction to cost of sales as we incur costs to satisfy the associated performance obligations. There will be no net impact on our Condensed Consolidated Statement of Operations. We recognized \$4 million from amortization of the forward loss provision for the acquisition date through September 29, 2023.

Off-market Customer Contracts. We have identified certain contractual obligations with customers with economic returns that are higher or lower than could be realized in market transactions as of the acquisition date and have recorded liabilities for the preliminary acquisition date fair value of the off-market components. The preliminary acquisition date fair value of the off-market components is a net liability of \$53 million, consisting of \$26 million and \$27 million included in the "Other accrued items" and "Other long-term liabilities" line items in our Condensed Consolidated Balance Sheet, respectively, and excludes any amounts already recognized in forward loss provisions (see discussion in the preceding paragraph). We measured the fair value of these components as the amount by which the terms of the contract with the customer deviates from the terms that a market participant could have achieved at the acquisition date. The off-market components of these contracts will be recognized as an increase to revenue as we incur costs to satisfy the associated performance obligations. We recognized \$4 million from amortization of off-market contract liabilities during the period from the acquisition date through September 29, 2023.

Goodwill. The \$2,348 million of goodwill recognized is attributable to AJRD's market presence as the provider of advanced propulsion and power systems for nearly every major U.S. space and missile program, the assembled workforce and established operating infrastructure. The acquired goodwill is not tax deductible. See Note G: Goodwill and Other Intangible Assets in these Notes for further information.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**(Unaudited)**

Financial Results. Revenue and income before income taxes of AJRD included in our Condensed Consolidated Statement of Operations for the acquisition date through September 29, 2023 was \$455 million and \$56 million, respectively. The following table presents unaudited pro forma financial results of the operations acquired with AJRD. The pro forma results for the three quarters ended September 29, 2023 were prepared as if the acquisition was completed on the first day of our fiscal 2023, December 31, 2022, and include adjustments to remove costs directly attributable to the acquisition, such as transaction-related costs and the impact of purchase price adjustments, and corporate expenses such as pension, interest, and amortization. The pro forma results for the three quarters ended September 30, 2022 were prepared as if the acquisition was completed on the first day of our fiscal 2022, January 1, 2022, and include adjustments to remove corporate expenses such as pension, interest, and amortization. The pro forma results do not include any integration synergies and are not necessarily indicative of our results of operations that actually would have been obtained had the acquisition of AJRD been completed for the period presented, or which may be realized in the future.

(In millions)	Three Quarters Ended	
	September 29, 2023	September 30, 2022
Revenue	\$ 1,740	\$ 1,589
Income before income taxes	156	180

Acquisition-Related Costs. Acquisition-related costs have been expensed as incurred. In connection with the AJRD acquisition, we recorded transaction and integration costs of \$45 million and \$67 million for the quarter and three quarters ended September 29, 2023, respectively, which were included in the "Engineering, selling and administrative expenses" line item in our Condensed Consolidated Statement of Operations.

Divestiture of Visual Information Solutions ("VIS")

On April 6, 2023, we completed the sale of VIS for a sale price of \$70 million and recognized a pre-tax gain of \$26 million included in the "Sale of asset group and business divestiture-related gains, net" line item in our Condensed Consolidated Statement of Operations for the quarter and three quarters ended September 29, 2023, respectively. After selling costs and purchase price adjustments, the net cash proceeds for the sale of VIS were \$71 million. The operating results of VIS were reported in the SAS segment through the date of divestiture.

The carrying amounts of the assets and liabilities of VIS were classified as held for sale in our Condensed Consolidated Balance Sheet as of December 30, 2022.

Completed Divestiture and Asset Sale for the Three Quarters Ended September 30, 2022

During the three quarters ended September 30, 2022, we completed one business divestiture and one asset sale from our IMS segment for combined net cash proceeds of \$23 million and recognized a pre-tax gain of \$8 million associated with the asset sale included in the "Sale of asset group and business divestiture-related gains, net" line item in our Condensed Consolidated Statement of Operations for the quarter and three quarters ended September 30, 2022.

Fair Value of Businesses and Goodwill Allocation. For purposes of allocating goodwill to the disposal groups that represent a portion of a reporting unit, we determine the fair value of each disposal group based on the respective negotiated selling price, and the fair value of the retained businesses of the respective reporting unit based on a combination of market-based and income based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and projected discounted cash flows. These fair value determinations are categorized as Level 3 in the fair value hierarchy due to their use of internal projections and unobservable measurement inputs. See Note G: Goodwill and Other Intangible Assets and Note L: Fair Value Measurements in these Notes for additional information.

NOTE C: STOCK OPTIONS AND OTHER SHARE-BASED COMPENSATION

At September 29, 2023, we had stock options or other share-based compensation awards outstanding under several employee stock incentive plans ("L3Harris SIPs"). The compensation cost related to our share-based awards that was charged against income for the quarter and three quarters ended September 29, 2023 was \$22 million and \$67 million, respectively, and \$23 million and \$92 million for the quarter and three quarters ended September 30, 2022, respectively.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**(Unaudited)**

Awards granted to participants under L3Harris SIPs and the weighted-average grant-date fair value per share during the three quarters ended September 29, 2023 and September 30, 2022 are as follows:

(In millions, except per share amounts)	Three Quarters Ended September 29, 2023			Three Quarters Ended September 30, 2022		
	Weighted-Average		Weighted-Average			
	Shares	Per Share	Shares	Per Share		
Stock options granted ⁽¹⁾	0.4	\$ 209.88	0.4	\$ 231.71		
Restricted stock and restricted stock units granted ⁽²⁾	0.3	\$ 200.61	0.3	\$ 224.79		
Performance share units grants ⁽³⁾	0.2	\$ 223.09	0.2	\$ 258.83		

(1) Other than certain stock options granted in connection with new hires, our stock options generally ratably vest in equal amounts over a three-year period.

(2) Other than certain restricted stock units granted in connection with new hires, our restricted stock units generally cliff vest after three-years.

(3) Our performance share units are subject to performance criteria and generally vest after the three-year performance period.

There were no significant grants of stock options, restricted stock units or performance share units to participants under the L3Harris SIPs during the quarters ended September 29, 2023 and September 30, 2022.

The aggregate number of shares of our common stock issued under L3Harris SIPs, net of shares withheld for tax purposes, was 0.1 million and 0.5 million for the quarter and three quarters ended September 29, 2023, respectively, and 0.1 million and 0.7 million for the quarter and three quarters ended September 30, 2022, respectively.

See Note 15: Stock Options and Other Share-Based Compensation in our Fiscal 2022 Form 10-K for additional information regarding the L3Harris SIPs.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE D: ACCUMULATED OTHER COMPREHENSIVE LOSS ("AOCL") B: EARNINGS PER SHARE

We define EPS as net income attributable to L3Harris common shareholders divided by either our weighted average number of basic or diluted shares outstanding. Potential dilutive common shares primarily consist of employee stock options and restricted and performance unit awards.

The components weighted-average number of AOCL common shares outstanding used to compute basic and diluted EPS are summarized below: as follows:

(In millions)	Foreign currency translation	Net unrealized losses on hedging derivatives	Unrecognized postretirement obligations		Total AOCL
			28	\$ (288)	
Balance at December 30, 2022					
Other comprehensive (loss) income, before reclassifications to earnings and income taxes		(10)	8	—	(2)
Income taxes	—	(2)	—	—	(2)
Other comprehensive (loss) income before reclassifications to earnings, net of income taxes	(10)	6	—	—	(4)
Losses (gains) reclassified to earnings, before income taxes	—	3	(41)	—	(38)
Income taxes	—	(1)	10	—	9
Losses (gains) reclassified to earnings, net of income taxes ⁽¹⁾	—	2	(31)	—	(29)
Other comprehensive (loss) income, net of income taxes	(10)	8	(31)	—	(33)
Balance at September 29, 2023	\$ (247)	\$ (71)	(3)	\$ (321)	
Balance at December 31, 2021	\$ (118)	\$ (89)	61	\$ (146)	
Other comprehensive loss, before reclassifications to earnings and income taxes		(196)	(18)	—	(214)
Income taxes	—	4	—	—	4

Other comprehensive loss before reclassifications to earnings, net of income taxes	(196)	(14)	—	(210)
Losses (gains) reclassified to earnings, before income taxes	—	7	(18)	(11)
Income taxes	—	(2)	3	1
Losses (gains) reclassified to earnings, net of income taxes ⁽¹⁾	—	5	(15)	(10)
Other comprehensive loss, net of income taxes	(196)	(9)	(15)	(220)
Balance at September 30, 2022	\$ (314)	\$ (98)	\$ 46	\$ (366)

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Basic weighted-average common shares outstanding	189.8	190.2
Impact of dilutive share-based awards	1.0	1.0
Diluted weighted-average common shares outstanding	190.8	191.2

⁽¹⁾ Losses (gains) reclassified to earnings are included in Income from continuing operations per diluted common share ("diluted EPS") excludes the "Revenue from product sales antidilutive impact of 0.8 million and services," "Interest expense, net" 1.2 million weighted-average share-based awards outstanding for the quarters ended March 29, 2024 and "Non-operating income, net" line items in our Condensed Consolidated Statement of Operations March 31, 2023, respectively.

NOTE E: C: ACCOUNTS RECEIVABLE, CONTRACT ASSETS AND CONTRACT LIABILITIES

Accounts Receivable

We have two receivable sales agreements ("RSAs") with two separate third-party financial institutions that permit us to sell, on a non-recourse basis, up to \$100 million each of outstanding receivables. From time to time, we have sold certain customer receivables under the RSAs, which we continue to service and collect on behalf of the third-party financial institutions and which we account for as sales of receivables with sale proceeds included in net cash from operating activities. Outstanding accounts receivable sold pursuant to the RSAs were approximately \$98 million at March 29, 2024, for net cash proceeds of approximately \$97 million. We did not have outstanding accounts receivable sold pursuant to the RSAs at March 31, 2023.

Contract Assets and Contract Liabilities

Contract assets include unbilled amounts typically resulting from revenue recognized exceeding amounts billed to customers for contracts utilizing the percentage of completion ("POC") cost-to-cost revenue recognition method. We bill customers as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals, upon achievement of contractual milestones or upon deliveries and, in certain arrangements, the customer may withhold payment of a small portion of the contract price until contract completion. Contract liabilities include advance payments and billings in excess of revenue recognized, including deferred revenue associated with extended product warranties. Contract assets and liabilities are reported on a contract-by-contract basis at the end of each reporting period.

Contract assets and contract liabilities are summarized below:

(In millions)	September 29, 2023		December 30, 2022	
	\$	3,477	\$	2,987
Contract assets ⁽¹⁾				
Contract liabilities, current ⁽²⁾		(1,940)		(1,400)
Contract liabilities, non-current ⁽³⁾		(104)		(117)
Net contract assets	\$	1,433	\$	1,470

(In millions)	March 29, 2024		December 29, 2023	
	\$	3,502	\$	3,196
Contract assets				
Contract liabilities, current		(1,777)		(1,900)
Contract liabilities, non-current ⁽¹⁾		(88)		(94)
Net contract assets	\$	1,637	\$	1,202

(1) Includes approximately \$386 million of AR contract assets at September 29, 2023.

(2) Includes approximately \$315 million of AR contract liabilities at September 29, 2023.

(3) The non-current portion of contract liabilities is included as a component of the "Other long-term liabilities" line item in our Condensed Consolidated Balance Sheet.

The components Contract assets increased \$306 million as of March 29, 2024 compared with December 29, 2023, primarily due to the recognition of revenue related to the satisfaction or partial satisfaction of performance obligations during the quarter ended March 29, 2024 for which we have not yet billed our customers. There were no significant credit or impairment losses related to our contract assets are summarized below:

(In millions)	September 29, 2023	December 30, 2022
Unbilled contract receivables, gross	\$ 7,126	\$ 4,629
Unliquidated progress payments and advances	(3,649)	(1,642)
Contract assets	\$ 3,477	\$ 2,987

during the quarter ended March 29, 2024.

Contract assets and liabilities decreased \$129 million as of September 29, 2023 March 29, 2024 compared with December 29, 2023, primarily due to decreased advanced payments and December 30, 2022 were impacted primarily by the timing of contractual billing milestones. Revenue recognized related to contract liabilities that were outstanding at the end of the respective prior fiscal year were \$223 million \$695 million and \$1.12 billion \$603 million for the quarter and three quarters ended September 29, 2023, respectively, March 29, 2024 and \$196 million and \$967 million for the quarter and three quarters ended September 30, 2022 March 31, 2023, respectively.

NOTE F: D: INVENTORIES

Inventories are summarized below:

	September 29, 2023	December 30, 2022	(In millions)	March 29, 2024	December 29, 2023
Finished products ⁽¹⁾	\$ 302	\$ 181			
Finished products					
Finished products					
Finished products					
Work in process	513	396			
Materials and supplies	823	714			
Inventories ⁽¹⁾	\$ 1,638	\$ 1,291			
Inventories					

(1) Includes approximately \$114 million of TDL inventory of which \$70 million is included in finished products at September 29, 2023.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE G: E: GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

The assignment of goodwill and changes in the carrying amount of goodwill, by business segment, are as follows:

(In millions)	SAS	IMS	CS	AR	Total
Balance at December 30, 2022	\$ 5,778	\$ 7,709	\$ 3,796	\$ —	\$ 17,283
Reallocation of goodwill in business realignment	327	(327)	—	—	—

Goodwill from TDL acquisition	—	—	1,117	—	1,117
Goodwill from AJRD acquisition	—	—	—	2,348	2,348
Goodwill decrease from divestitures ⁽¹⁾	(9)	—	—	—	(9)
Currency translation adjustments	(5)	2	—	—	(3)
Balance at September 29, 2023	\$ 6,091	\$ 7,384	\$ 4,913	\$ 2,348	\$ 20,736

(In millions)	SAS	IMS	CS	AR	Total
Balance at December 29, 2023⁽¹⁾	\$ 6,110	\$ 6,564	\$ 4,940	\$ 2,365	\$ 19,979
Goodwill from AJRD acquisition ⁽²⁾	—	—	—	108	108
Currency translation adjustments	(8)	(8)	(1)	—	(17)
Balance at March 29, 2024	\$ 6,102	\$ 6,556	\$ 4,939	\$ 2,473	\$ 20,070

(1) During the three quarters ended September 29, 2023, fiscal 2023, we assigned an additional \$9 \$534 million of goodwill to our VIS business and completed associated with the divestiture. We derecognized \$39 million pending divestiture of goodwill as part of determining the gain on sale. The assets (including goodwill) of VIS were included in the Commercial Aviation Solutions ("CAS Disposal Group") to "Assets of business held for sale" line item in our Condensed Consolidated Balance Sheet at December 30, 2022, Sheet. See Note B: 13: Acquisitions, Divestitures and Asset Sales in our Fiscal 2023 Form 10-K for additional information regarding divestitures and businesses held for sale.

(2) Represents a measurement period adjustment associated with the acquisition of Aerojet Rocketdyne Holdings, Inc. ("AJRD") in the quarter ended March 29, 2024. See Note O: Acquisitions and Divestitures in these Notes for further information.

At March 29, 2024, accumulated goodwill impairment losses totaled \$80 million, \$1,126 million and \$355 million at our Space & Airborne Systems ("SAS"), Integrated Mission Systems ("IMS") and Communication System ("CS") segments, respectively. There are no accumulated impairments for our Aerojet Rocketdyne ("AR") segment.

Reallocation of Goodwill in Business Realignment. Effective December 31, 2022, we adjusted our reporting in fiscal 2024, to better align our businesses, and transferred our ADG business (a reporting unit) from we adjusted our IMS segment to by realigning our SAS segment (also a reporting unit). In connection with the realignment, we reduced our Electro Optical ("EO") and Maritime sectors, which are also reporting units, from nine splitting EO into two sectors, Global Optical Systems ("GOS") and Defense Electronics ("DE"), and moving one EO business to eight as the ADG Maritime sector. GOS and DE represent one reporting unit and all \$327 million of associated goodwill was absorbed by our existing SAS reporting unit given the economic similarities of the two reporting units, unit. Immediately before the realignment, we performed a qualitative impairment assessment over our SAS reporting unit and a quantitative impairment assessment over our ADG reporting unit. Immediately after the realignment, we performed a quantitative impairment assessment over the SAS reporting unit. We prepared estimates of the fair value of under our pre-realignment ADG former and new reporting unit and post-realignment SAS reporting unit based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and an income-based valuation technique using projected discounted cash flows. structure. These assessments indicated no impairment existed either before or after the realignment.

Goodwill from TDL Acquisition. In connection with the January 3, 2023 acquisition of TDL, we recorded \$1,117 million of goodwill in our Broadband reporting unit within our CS segment. See Note B: Acquisitions, Divestitures and Asset Sales P: Business Segment Information in these Notes for further information.

Goodwill from AJRD Acquisition. In connection with the July 28, 2023 acquisition of AJRD, we recorded \$2,348 million of goodwill in our AR segment, which is also the AR reporting unit. See Note B: Acquisitions, Divestitures and Asset Sales in these Notes for further information.

Fiscal 2022 Impairments. During the quarter ended September 30, 2022, we determined that goodwill related to our Broadband, ADG and Electro Optical reporting units was impaired and we recorded non-cash impairment charges of \$355 million, \$313 million and \$134 million, respectively, in the "Impairment of goodwill and other assets" line item in our Condensed Consolidated Statement of Operations. See Note 9: Goodwill in our Fiscal 2022 Form 10-K for further information on our fiscal 2022 goodwill impairments.

In conjunction with our 2023 business realignment, certain businesses within our ADG reporting unit were aligned with our Electro Optical and SAS reporting units. As such, fiscal 2022 impairment charges related to ADG and Electro Optical of \$367 million and \$80 million, are included in our Electro Optical and SAS reporting units, respectively, in our comparative financial results for the quarter and three quarters ended September 30, 2022.

Other Intangible Assets

Identifiable Other identifiable intangible assets, net are summarized below:

		September 29, 2023			December 30, 2022						December 29, 2024			March 29, 2024			2023		
		March 29, 2024						March 29, 2024			December 29, 2024			March 29, 2024			2023		
(In millions)	(In millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	Customer relationships	\$ 9,270	\$ 2,658	\$ 6,612	\$ 6,124	\$ 2,189	\$ 3,935												
Customer relationships	Customer relationships																		
Customer relationships	Customer relationships																		
Developed technologies	Developed technologies	915	435	480	566	366	200												
Contract backlog	Contract backlog	2	1	1	1	1	—												
Trade names — divisions	Trade names — divisions	215	61	154	95	53	42												
Other	Other	2	2	—	2	2	—												
Other, including contract backlog	Other, including contract backlog																		
Total finite-lived identifiable intangible assets	Total finite-lived identifiable intangible assets	10,404	3,157	7,247	6,788	2,611	4,177												
In-process research and development	In-process research and development	—	—	—	21	—	21												
Trade names — corporate	Trade names — corporate																		
Trade names — corporate	Trade names — corporate																		
Trade names — corporate	Trade names — corporate	1,803	—	1,803	1,803	—	1,803												
Total identifiable intangible assets, net	Total identifiable intangible assets, net	\$ 12,207	\$ 3,157	\$ 9,050	\$ 8,612	\$ 2,611	\$ 6,001												

(1) During the three quarters ended September 29, 2023, fiscal 2023, we completed the divestiture of our VIS business. We derecognized \$10 million assigned \$263 million of intangible assets as part associated with the pending divestiture of determining the gain on sale that was assigned during fiscal 2022, CAS Disposal Group to "Assets of business held for sale" in our Condensed Consolidated Balance Sheet. See Note B-13: Acquisitions, Divestitures and Asset Sales in these Notes our Fiscal 2023 Form 10-K for further information. additional information regarding divestitures and businesses held for sale.

Intangible assets acquired are as follows:

(In millions)	TDL Acquisition						AJRD Acquisition					
	Gross Carrying Amount		Accumulated Amortization		Net Carrying Amount		Gross Carrying Amount		Accumulated Amortization		Net Carrying Amount	
	Amount	Amortization	Amount	Amortization	Amount	Amortization	Amount	Amortization	Amount	Amortization	Amount	Amortization
Customer relationships	\$ 406	\$ 46	\$ 360	\$ 2,740	\$ 37	\$ 2,703						
Developed technologies	349	15	334	—	—	—						
Trade names — divisions	—	—	—	120	1	119						

The most significant identifiable intangible asset that is separately recognized for our business combinations is customer relationships. For further description of our accounting policies related to intangible assets acquired in the **TDL and AJRD acquisitions**, see Note **B: O: Acquisitions Divestitures and Asset Sales Divestitures** in these Notes, and for our accounting policies related to all other intangible assets, see Note **10: 6: Goodwill and Intangible Assets Net** in our Fiscal **2022** **2023** Form 10-K.

Amortization expense for identifiable finite-lived intangible assets was **\$208 million** **\$217 million** and **\$546 million** **\$165 million** for the **quarter and three quarters ended September 29, 2023, respectively**, **March 29, 2024** and was **\$151 million** and **\$454 million**, for the **quarter and three quarters ended September 30, 2022** **March 31, 2023**, respectively, which primarily related to assets acquired in connection with business combinations.

Future estimated amortization expense for identifiable intangible assets is as follows:

	(In millions)
Year 1 Next 12 months	\$ 881,835
Year 2 Months 13-24	805,766
Year 3 Months 25-36	724,632
Year 4 Months 37-48	572,562
Year 5 Months 49-60	519,468
Thereafter	3,746,3,274
Total	<u><u>\$ 7,247,6,537</u></u>

NOTE F: INCOME TAXES

Our effective tax rate was 1.7% for the quarter ended March 29, 2024 compared with 9.1% for the quarter ended March 31, 2023. The effective tax rate for quarter ended March 29, 2024 was lower than the quarter ended March 31, 2023, primarily due to additional resolutions of specific audit uncertainties in the quarter ended March 29, 2024, incremental research and development ("R&D") credits attributable to the recently acquired AJRD and an increase in favorable impacts of excess tax benefits related to equity-based compensation. The rates for both periods benefited from foreign derived intangible income ("FDII") deductions.

The Organisation for Economic Co-operation and Development ("OECD") has introduced a new 15% global minimum tax, known as Pillar Two. Certain jurisdictions, including European Union member states and the United Kingdom, have enacted Pillar Two legislation that became effective January 1, 2024. The OECD, and its member countries, continue to release new guidance and legislation on Pillar Two and we continue to evaluate the impact on our financial statements. Based on enacted laws, Pillar Two is not expected to have a material impact on our financial statements in fiscal 2024.

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(Unaudited)

In-process R&D Impairment. During the three quarters ended September 29, 2023, we closed a facility, which triggered an evaluation of the in-process research and development ("R&D") related to the operations of the closed facility for impairment. As a result we recorded a \$21 million non-cash charge for the impairment of in-process R&D intangible assets, which is included in the "Impairment of goodwill and other assets" line item in our Condensed Consolidated Statement of Operations.

NOTE H: G: DEBT AND CREDIT ARRANGEMENTS

Long-Term Debt

Long-term debt, net is summarized below:

(In millions)	September December		(In millions)	March 29, 2024	December 29, 2023
	(In millions)	29, 2023	30, 2022		
Variable-rate debt:	Variable-rate debt:				
Floating rate notes, due March 10, 2023 ("Floating 2023 Notes")	\$ —	\$ 250			

Term loan, due November 21, 2025	2,250	—
Variable-rate debt:		
Variable-rate debt:		
Term loan, due November 21, 2025 ("Term Loan 2025")		
Term loan, due November 21, 2025 ("Term Loan 2025")		
Term loan, due November 21, 2025 ("Term Loan 2025")		
Fixed-rate debt:	Fixed-rate debt:	
3.85% notes, due June 15, 2023 ("3.85% 2023 Notes")	—	800
Fixed-rate debt:		
Fixed-rate debt:		
3.95% notes, due May 28, 2024		
3.95% notes, due May 28, 2024		
3.95% notes, due May 28, 2024	3.95% notes, due May 28, 2024	350 350
3.832% notes, due April 27, 2025	3.832% notes, due April 27, 2025	600 600
7.00% debentures, due January 15, 2026	7.00% debentures, due January 15, 2026	100 100
3.85% notes, due December 15, 2026	3.85% notes, due December 15, 2026	550 550
5.40% notes, due January 15, 2027 ("5.4% 2027 Notes")	5.40% notes, due January 15, 2027 ("5.4% 2027 Notes")	1,250 —
6.35% debentures, due February 1, 2028	6.35% debentures, due February 1, 2028	26 26

4.40% notes, due June 15, 2028	4.40% notes, due June 15, 2028	1,850	1,850
5.05% notes, due June 1, 2029 ("5.05% 2029 Notes")			
2.90% notes, due December 15, 2029	2.90% notes, due December 15, 2029	400	400
1.80% notes, due January 15, 2031	1.80% notes, due January 15, 2031	650	650
5.25% notes, due June 1, 2031 ("5.25% 2031 Notes")			
5.40% notes, due July 31, 2033 ("5.4% 2033 Notes")	5.40% notes, due July 31, 2033 ("5.4% 2033 Notes")	1,500	—
5.350% notes, due June 1, 2034 ("5.35% 2034 Notes")			
4.854% notes, due April 27, 2035	4.854% notes, due April 27, 2035	400	400
6.15% notes, due December 15, 2040	6.15% notes, due December 15, 2040	300	300
5.054% notes, due April 27, 2045	5.054% notes, due April 27, 2045	500	500

5.60% notes, due July 31, 2053 ("5.6% 2053 Notes")	5.60% notes, due July 31, 2053 ("5.6% 2053 Notes")	500	—
Total variable and fixed-rate debt	Total variable and fixed-rate debt	11,226	6,776
Financing lease obligations and other debt	Financing lease obligations and other debt	277	222
Total debt		11,503	6,998
Long-term debt, including the current portion of long-term debt			
Plus: unamortized bond premium	Plus: unamortized bond premium	55	70
Less: unamortized discounts and issuance costs	Less: unamortized discounts and issuance costs	(55)	(25)
Total debt, net		11,503	7,043
Long-term debt, including the current portion of long-term debt, net			
Less: current portion of long-term debt, net	Less: current portion of long-term debt, net	(363)	(818)
Total long- term debt, net	Total long- term debt, net	\$11,140	\$ 6,225

Long Term Debt Issued

Variable Rate Debt. On November 22, 2022, we established a \$2.25 billion, three-year senior unsecured term loan facility by entering into Term Loan 2025 with a syndicate of lenders that matures on November 21, 2025.

On January 3, 2023, we drew \$2.0 billion on Term Loan 2025 and utilized the proceeds to fund the cash consideration paid and a portion of the associated transaction and integration costs related to the TDL acquisition. See Note B: *Acquisitions, Divestitures and Asset Sales* in these Notes for further information on

the TDL acquisition.

On March 14, 2023, we drew an additional \$250 million on Term Loan 2025 and utilized the proceeds to repay our Floating 2023 Notes.

At September 29, 2023, we had \$2.25 billion outstanding under Term Loan 2025. There were no borrowings outstanding under Term Loan 2025 at December 30, 2022.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Borrowings under Term Loan 2025 bear interest at: (i) the sum of the term secured overnight financing rate ("SOFR") for any tenor comparable to the applicable interest period, plus 0.10%, plus an applicable margin between 1.125% and 1.875% that varies based on ratings of our senior unsecured long-term debt securities ("Senior Debt Ratings"). At September 29, 2023, the interest rate on Term Loan 2025 was 6.7% (6.1% net of the impact of our interest rate cap derivative). See Note 19: *Derivative Instruments and Hedging Activities* in our Fiscal 2022 Form 10-K for further information on our interest rate cap derivative.

Fixed Rate Debt. On **July 31, 2023** **March 13, 2024**, we closed the issuance and sale of **\$3.25 billion** **\$2.25 billion** aggregate principal amount of new long-term fixed-rate debt consisting of the **5.4% 2027 5.05% 2029** Notes, the **5.4% 2033 5.25% 2031** Notes, and the **5.6% 2053 5.35% 2034** Notes (collectively, the "AJRD "2024 Notes"). The AJRD 2024 Notes were used to fund a portion of the purchase price for the AJRD acquisition, which closed on **July 28, 2023**, and to **pay repay Term Loan 2025, including related fees and expenses.** **expenses**, which had an outstanding balance of **\$2.25 billion** at December 29, 2023.

Interest on the **5.4% 2027 2024** Notes is payable semi-annually in arrears on **January 15 June 1** and **July 15 December 1** of each year, commencing on **January 15, 2024**. Interest on the **5.4% 2033 Notes** and **5.6% 2053 Notes** is payable semi-annually in arrears on **January 31** and **July 31** of each year, commencing on **January 31, 2024 December 1, 2024**.

We may redeem the **5.4% 2027 5.05% 2029** Notes, **5.4% 2033 5.25% 2031** Notes and **5.6% 2053 5.35% 2034** Notes prior to **January 15, 2027 May 1, 2029, April 30, 2033 April 1, 2031** and **January 31, 2053 March 1, 2034**, respectively, in whole or in part, at our option, at a redemption price equal to the greater of: (i) the sum of the present values of the remaining scheduled payments of the principal and interest thereon discounted to the redemption date on a semi-annual basis at the "Treasury Rate," as defined in the AJRD 2024 Notes, plus 15 basis points for the **5.4% 2027 5.05% 2029** Notes and **25 20** basis points for the **5.4% 2033 5.25% 2031** Notes and **5.6% 2053 5.35% 2034** Notes, less interest accrued to the date of redemption; (ii) or 100% of the principal amount of the respective notes plus, in either case, accrued interest and unpaid interest thereon to the redemption date. After **April 30, 2033 May 1, 2029, April 1, 2031** and **January 31, 2053 March 1, 2034**, we may redeem the **5.4% 2033 5.05% 2029** Notes, **5.25% 2031** Notes, and the **5.6% 2053 5.35% 2034** Notes

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

respectively, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date.

Upon a "Change of Control Repurchase Event," as defined in the AJRD Notes, we may be required to make an offer to repurchase the AJRD Notes at a price equal to 101% of the aggregate principal amount of the notes being repurchased, plus accrued interest on the notes being repurchased to, but not including, the date of repurchase.

We incurred the \$9 million, \$13 million, and \$6 a combined total of \$20 million of debt issuance costs for the **5.4% 2027 2024** Notes, **5.4% 2033 Notes** and **5.6% 2053 Notes**, respectively, which are being amortized **using the effective interest rate method** over the life of each respective note. Such amortization is included as a component of the "Interest expense, net" line item in our Condensed Consolidated Statement of Operations.

There were no issuances of variable and fixed-rate long-term debt during the three quarters ended September 30, 2022.

Long-Term Debt Repayments

On **March 14, 2023** **March 14, 2024**, we repaid the entire outstanding **\$250 million** aggregate principal amount of our Floating 2023 Notes through a **\$250 million draw** **\$2.25 billion** drawn on Term Loan 2025, as described above under "Long-Term Debt Issued." The Floating 2023 Notes were classified as "Long-term debt, net" in our Condensed Consolidated Balance Sheet as which at time of **December 30, 2022**.

On **June 15, 2023** **repayment had a variable interest rate of 6.7%**, we repaid the entire outstanding **\$800 million** aggregate principal amount of our **3.85% 2023 Notes** through **cash on hand** and the issuance of **commercial paper** during the **three quarters ended September 29, 2023 2024 Notes**, which bear **fixed interest rates between 5.05% and 5.35%**.

There were no repayments of variable and fixed-rate long-term debt during the three quarters ended September 30, 2022.

20232024 Credit Agreement

On March 10, 2023 January 26, 2024, we established a \$2.4 new \$1.5 billion, 364-day senior unsecured revolving credit facility ("2024 Credit Facility") by entering into a 364-day credit agreement maturing no later than January 24, 2025 ("2024 Credit Agreement") with a syndicate of lenders. The 2024 Credit Agreement replaces the prior \$2.4 billion 364-Day Credit Agreement ("2023 Credit Agreement") with a syndicate of lenders.

Proceeds of the initial funding of loans under the 2023 Credit Agreement were required to be used to finance a portion of the purchase price for the acquisition of AJRD and for the related fees, taxes, costs and expenses, and subsequent borrowings may be used for working capital purposes.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

At our election, borrowings under the 20232024 Credit Agreement, which are designated in U.S. Dollars, bear interest at the sum of the term SOFR secured overnight financing rate or the Base Rate (as defined in the 20232024 Credit Agreement), plus an applicable margin. margin that varies based on the ratings of our senior unsecured long-term debt securities ("Senior Debt Ratings.") In addition to interest payable on the principal amount of indebtedness outstanding beginning June 6, 2023, we are required to pay a quarterly unused commitment fee that varies based on our Senior Debt Ratings.

The 20232024 Credit Agreement also contains representations, warranties, covenants and events of default that are substantially similar to the existing Revolving Credit Agreement, dated as of July 29, 2022 ("2022 Credit Agreement"). The 20232024 Credit Agreement matures on December 8, 2023, in January 2025, provided that we may extend the maturity of any loans outstanding under the 20232024 Credit Agreement by one year, subject to the satisfaction of certain conditions.

On July 28, 2023, we borrowed \$2.1 billion under the 2023 Credit Agreement and used the proceeds together with proceeds from the AJRD Notes to fund the AJRD acquisition and to pay related fees and expenses. All borrowings under the 2023 Credit Agreement were repaid using proceeds from commercial paper during the quarter ended September 29, 2023. At September 29, 2023 March 29, 2024, we had no outstanding borrowings and were in compliance with all covenants under the 20232024 Credit Agreement. For additional information regarding the 2023 Credit Agreement, see our Current Report on Form 8-K filed on March 16, 2023.

2022 Credit Agreement

On July 29, 2022, we established a \$2.0 billion, five-year senior unsecured revolving credit facility ("2022 Credit Facility") under the 2022 a Revolving Credit Agreement (the "2022 Credit Agreement"), with a syndicate of lenders. At September 29, 2023 March 29, 2024, we had no outstanding borrowings and were in compliance with all covenants under the 2022 Credit Agreement.

For a description of the 2022 Credit Agreement and related covenants, see Note 12:8: Debt and Credit Arrangements in our Fiscal 20222023 Form 10-K.

Commercial Paper Program

On March 14, 2023 January 26, 2024, we established a new lowered the maximum amount available under our commercial paper program ("CP Program"), which replaced our prior \$1.0 billion commercial paper program. Under to \$3.0 billion from \$3.9 billion in accordance with the terms of the CP Program. The CP Program we may issue unsecured commercial paper notes up to a maximum aggregate amount of \$3.9 billion, is supported by amounts available under the 2022 Credit Agreement and the 20232024 Credit Agreement.

The commercial paper notes are sold at par less a discount representing an interest factor or, if interest bearing, at par, and the maturities vary but may not exceed 397 days from the date of issue. The commercial paper notes will rank at least pari passu with all other unsecured and unsubordinated indebtedness.

At September 29, 2023 March 29, 2024 and December 29, 2023, we had \$2.0 billion \$2.2 billion and \$1.6 billion in outstanding notes under our CP Program, primarily consisting of amounts used to repay \$2.1 billion outstanding under the 2023 Credit Agreement and respectively, which is included as a component of the "Short-term debt" line item in our Condensed Consolidated Balance Sheet. The outstanding notes have under our CP Program had a weighted-average interest rate of 5.50% 5.83% and mature 5.95% at various dates, primarily in October 2023.

Proceeds from issuance of commercial paper with maturities greater than 90 days were \$701 million during the quarter March 29, 2024 and three quarters ended September 29, 2023. There were no repayments of commercial paper with maturities greater than 90 days during the quarter and three quarters ended September 29, 2023. During the quarter and three quarters ended September 30, 2022 December 29, 2023, we had no commercial paper borrowings with original maturities more than 90 days from the date of issuance. respectively.

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NOTE I: PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS H: RETIREMENT BENEFITS

The following tables provide the components of our net periodic benefit income for our defined benefit plans, including defined benefit pension plans and other postretirement defined benefit ("OPEB") plans:

		Three Quarters					
		Quarter Ended	Ended				
		September 29,	September 29,				
		2023	2023				
(In millions)	(In millions)	Other	Pension	Other	Pension	Other Benefits	Pension
		Pension	Benefits	Pension	Benefits	(In millions)	
Net periodic benefit income	Net periodic benefit income						
Net periodic benefit income	Net periodic benefit income						
Operating	Operating						
Operating	Operating						
Service cost	Service cost						
Service cost	Service cost						
Service cost	Service cost	\$ 10	\$ —	\$ 22	\$ 1		
Non-operating	Non-operating						
Interest cost	Interest cost	Interest cost	100	3	283	8	
Interest cost	Interest cost						
Expected return on plan assets	Expected return on plan assets	(162)	(5)	(467)	(15)		
Amortization of net actuarial gain	Amortization of net actuarial gain	(2)	(5)	(7)	(15)		
Amortization of prior service (credit) cost	Amortization of prior service (credit) cost	(7)	—	(20)	1		
Amortization of prior service credit	Amortization of prior service credit						
Non-service cost periodic benefit income	Non-service cost periodic benefit income						
Non-service cost periodic benefit income	Non-service cost periodic benefit income						

Non-service cost periodic benefit income	Non-service cost periodic benefit income	(71)	(7)	(211)	(21)
Net periodic benefit income	Net periodic benefit income	\$ (61)	\$ (7)	\$ (189)	\$ (20)
Three Quarters					
	Quarter Ended		Ended		
	September 30,		September 30,		
	2022		2022		
(In millions)	Other	Pension	Benefits	Pension	Benefits
Net periodic benefit income					
<i>Operating</i>					
Service cost	\$ 10	\$ 1	\$ 32	\$ 2	
<i>Non-operating</i>					
Interest cost	55	1	165	5	
Expected return on plan assets	(156)	(5)	(468)	(16)	
Amortization of net actuarial loss (gain)	2	(1)	7	(5)	
Amortization of prior service (credit) cost	(7)	—	(21)	1	
Non-service cost periodic benefit income	(106)	(5)	(317)	(15)	
Net periodic benefit income	\$ (96)	\$ (4)	\$ (285)	\$ (13)	

The service cost component of net periodic benefit income is included in the "Cost of product sales [revenue]" and "services" and "Engineering, selling [General and administrative expenses]" line items in our Condensed Consolidated Statement of Operations. The non-service cost components of net periodic benefit income are included in the "Non-operating [Non-service FAS pension income and other, net]" line item in our Condensed Consolidated Statement of Operations.

NOTE J: EARNINGS PER SHARE I: STOCK OPTIONS AND OTHER SHARE-BASED COMPENSATION

At March 29, 2024, we had stock options or other share-based compensation awards outstanding under two shareholder-approved employee stock incentive plans, as well as under employee stock incentive plans assumed by L3Harris (collectively, the "L3Harris SIPs"). The compensation cost related to our share-based awards that was charged against income per common share attributable for the quarters ended March 29, 2024 and March 31, 2023 was \$26 million and \$23 million, respectively.

Awards granted to participants under L3Harris common shareholders ("EPS") is computed by dividing earnings to L3Harris common shareholders less earnings allocated to participating securities, if applicable, by SIPs and the weighted-average grant-date fair value per share or unit during the quarters ended March 29, 2024 and March 31, 2023 are as follows:

(In millions, except per share/units amounts)	Quarter Ended March 29, 2024			Quarter Ended March 31, 2023		
	Weighted-Average		Weighted-Average			
	Shares or Units	Per Share or Unit	Shares or Units	Per Share or Unit		
Stock option shares granted ⁽¹⁾	0.4	\$ 50.97	0.4	\$ 54.81		
Restricted stock units granted ⁽²⁾	0.1	\$ 213.15	0.1	\$ 210.84		
Performance share units granted ⁽³⁾	0.2	\$ 230.09	0.2	\$ 223.09		

(1) Other than certain stock options granted in connection with new hires, our stock options generally ratably vest in equal amounts over a three-year period.

(2) Other than certain restricted stock units granted in connection with new hires, our restricted stock units generally cliff vest after three-years.

(3) Our performance share units are subject to performance criteria and generally vest after the three-year performance period.

The aggregate number of shares of our common stock issued under L3Harris SIPs, net of shares outstanding withheld for tax purposes, was 0.5 million and 0.3 million for the period. Net income per diluted common share attributable to quarters ended March 29, 2024 and March 31, 2023, respectively.

See Note 10: Stock Options and Other Share-Based Compensation in our Fiscal 2023 Form 10-K for additional information regarding the L3Harris common shareholders ("diluted EPS") incorporates potential dilutive common shares, primarily consisting of employee stock options and restricted and performance share unit awards, into the weighted-average number of common shares outstanding, SIPS.

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The weighted-average number of common shares outstanding used to compute basic and diluted EPS are as follows:

(In millions)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Basic weighted-average common shares outstanding	189.3	191.3	189.6	192.2
Impact of dilutive share-based awards	0.8	—	1.0	1.8
Diluted weighted-average common shares outstanding	190.1	191.3	190.6	194.0

NOTE J: ACCUMULATED OTHER COMPREHENSIVE LOSS ("AOCL")

The antidilutive impact excluded from diluted EPS for components of AOCL are summarized below:

(In millions)	Foreign currency translation	Net unrealized losses on hedging derivatives	Unrecognized postretirement obligations	Total AOCL
	\$ (201)	\$ (65)	\$ 68	\$ (198)
Balance at December 29, 2023				
Other comprehensive loss, before reclassifications to earnings and income taxes	(26)	(4)	—	(30)
Income taxes	—	1	—	1
Other comprehensive loss before reclassifications to earnings, net of income taxes	(26)	(3)	—	(29)
Losses (gains) reclassified to earnings, before income taxes	—	3	(12)	(9)
Income taxes	—	(1)	3	2
Losses (gains) reclassified to earnings, net of income taxes ⁽¹⁾	—	2	(9)	(7)
Other comprehensive loss, net of income taxes	(26)	(1)	(9)	(36)
Balance at March 29, 2024	\$ (227)	\$ (66)	\$ 59	\$ (234)
Balance at December 30, 2022	\$ (237)	\$ (79)	\$ 28	\$ (288)
Other comprehensive income, before reclassifications to earnings and income taxes	7	6	—	13
Income taxes	—	(1)	—	(1)
Other comprehensive income before reclassifications to earnings, net of income taxes	7	5	—	12
Gains reclassified to earnings, before income taxes	—	(2)	(14)	(16)
Income taxes	—	1	3	4
Gains reclassified to earnings, net of income taxes ⁽¹⁾	—	(1)	(11)	(12)
Other comprehensive income (loss), net of income taxes	7	4	(11)	—
Balance at March 31, 2023	\$ (230)	\$ (75)	\$ 17	\$ (288)

(1) Losses (gains) reclassified to earnings are included in the quarter ended September 29, 2023 was immaterial. Diluted EPS excludes the antidilutive impact "Revenue," "Interest expense, net" and "Non-service FAS pension income and other, net" line items in our Condensed Consolidated Statement of 2.0 million weighted-average share-based awards outstanding for the three quarters ended September 29, 2023 and 1.9 million and 0.3 million weighted-average share-based awards outstanding for the quarter and three quarters ended September 30, 2022, respectively. Operations.

NOTE K: INCOME TAXES

Our effective tax rate was 4.5% for the quarter ended September 29, 2023 compared with 6.2% for the quarter ended September 30, 2022. For the quarter ended September 29, 2023, our effective tax rate benefited from the favorable impacts of R&D credits, foreign-derived intangible income ("FDII") deductions and the resolution of specific audit uncertainties. For the quarter ended September 30, 2022, our effective tax rate benefited from the favorable impact of R&D credits, incremental FDII and the release of a valuation allowance in a foreign jurisdiction resulting from an internal restructuring, partially offset by the unfavorable impact of non-deductible goodwill impairments.

Our effective tax rate was 6.4% for the three quarters ended September 29, 2023 compared with 13.0% for the three quarters ended September 30, 2022. For the three quarters ended September 29, 2023, our effective tax rate benefited from the favorable impacts of R&D credits, FDII deductions and the resolution of specific audit uncertainties. For the three quarters ended September 30, 2022, our effective tax rate was favorably impacted by a reduction in the deferred tax liabilities on the outside basis of certain foreign subsidiaries due to an internal restructuring, the favorable impact of excess tax benefits related to equity-based compensation and the items described above in this Note for the quarter ended September 30, 2022.

NOTE L: FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in the principal market (or most advantageous market, in the absence of a principal market) for the asset or liability in an orderly transaction between market participants at the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs in measuring fair value and to utilize a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included within Level 1, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable or are derived principally from, or corroborated by, observable market data by correlation or other means.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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- Level 3 — Unobservable inputs that are supported by little or no market activity, are significant to the fair value of the assets or liabilities and reflect our own assumptions about the assumptions market participants would use in pricing the asset or liability developed using the best information available in the circumstances.

In certain instances, fair value is estimated using quoted market prices obtained from external pricing services. In obtaining such data from the external pricing services, we have evaluated the methodologies used to develop the estimate of fair value in order to assess whether such valuations are representative of fair value, including net asset value ("NAV"). Additionally, in certain circumstances, the NAV reported by an asset manager may be adjusted when sufficient evidence indicates NAV is not representative of fair value.

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(Unaudited)

The following table presents assets and liabilities measured at fair value on a recurring basis (at least annually) at September 29, 2023 March 29, 2024 and December 30, 2022 December 29, 2023:

(In millions)	(In millions)	September		December		(In millions)	March 29, 2024		March 29, 2024		December 29, 2023		
		29, 2023		30, 2022			Total	Level 1	Total	Level 1	Total	Level 1	
		March 29, 2024					Total	Level 1	Total	Level 1	Total	Level 1	
Assets	Assets												
Assets													
Assets													
Deferred compensation plan assets:(1)	Deferred compensation plan assets:(1)												

Deferred compensation plan assets:(1)						
Deferred compensation plan assets:(1)						
Equity and fixed income securities						
Equity and fixed income securities						
Equity and fixed income securities	Equity and fixed income securities	\$ 97	\$ 97	\$ 64	\$ 64	
Investments measured at NAV:	Investments measured at NAV:					
Corporate-owned life insurance	Corporate-owned life insurance	36	33			
Corporate-owned life insurance	Corporate-owned life insurance					
Corporate-owned life insurance	Corporate-owned life insurance					
Total fair value of deferred compensation plan assets						
Total fair value of deferred compensation plan assets						
Total fair value of deferred compensation plan assets	Total fair value of deferred compensation plan assets	\$133	\$ 97			
Liabilities	Liabilities					
Liabilities	Liabilities					
Deferred compensation plan liabilities:(2)	Deferred compensation plan liabilities:(2)					
Deferred compensation plan liabilities:(2)	Deferred compensation plan liabilities:(2)					
Deferred compensation plan liabilities:(2)	Deferred compensation plan liabilities:(2)					
Equity securities and mutual funds	Equity securities and mutual funds					
Equity securities and mutual funds	Equity securities and mutual funds					
Equity securities and mutual funds	Equity securities and mutual funds	\$ 14	\$ 14	\$ 8	\$ 8	
Investments measured at NAV:	Investments measured at NAV:					
Common/collective trusts and guaranteed investment contracts	Common/collective trusts and guaranteed investment contracts	231	192			
Common/collective trusts and guaranteed investment contracts	Common/collective trusts and guaranteed investment contracts					
Common/collective trusts and guaranteed investment contracts	Common/collective trusts and guaranteed investment contracts					
Total fair value of deferred compensation plan liabilities	Total fair value of deferred compensation plan liabilities	\$245	\$200			
Total fair value of deferred compensation plan liabilities	Total fair value of deferred compensation plan liabilities					
Total fair value of deferred compensation plan liabilities	Total fair value of deferred compensation plan liabilities					

(1) Represents diversified assets held in "rabbi trusts" primarily associated with our non-qualified deferred compensation plans, which we include in the "Other current assets" and "Other non-current assets" line items in our Condensed Consolidated Balance Sheet, and which are measured at fair value.

(2) Primarily represents obligations to pay benefits under certain non-qualified deferred compensation plans, which we include in the "Compensation and benefits" and "Other long-term liabilities" line items in our Condensed Consolidated Balance Sheet. Under these plans, participants designate investment options (including stock and fixed-income funds), which serve as the basis for measurement of the notional value of their accounts.

The following table presents the carrying amounts and estimated fair values of long-term debt that is not carried at fair value in our Condensed Consolidated Balance Sheet:

		September 29, 2023		December 30, 2022					
		March 29, 2024				March 29, 2024		December 29, 2023	
(In millions)	(In millions)	Carrying Amount	Carrying Fair Value	Carrying Amount	Fair Value	(In millions)	Carrying Amount	Carrying Amount	Fair Value
Term Loan 2025 ⁽¹⁾	Term Loan 2025 ⁽¹⁾	\$ 2,250	\$ 2,250	\$ —	\$ —				
Term Loan 2025 ⁽¹⁾									
Term Loan 2025 ⁽¹⁾									
All other long-term debt, net (including current portion) ⁽²⁾	All other long-term debt, net (including current portion) ⁽²⁾	9,253	8,667	7,043	6,569				
Total debt, net		<u>\$11,503</u>	<u>\$10,917</u>	<u>\$7,043</u>	<u>\$6,569</u>				
Long-term debt, including the current portion of long-term debt, net									

(1) The carrying value of Term Loan 2025 approximates fair value due to its variable interest rate.

(2) The fair value was estimated using a market approach based on quoted market prices for our debt traded in the secondary market. If measured at fair value, it would be categorized in Level 2 of the fair value hierarchy.

The fair value of our short-term debt approximates the carrying value due to its short-term nature, with nature. If measured at fair value, the commercial paper would be classified as level 2 and other short-term debt would be classified as level 3 within the fair value hierarchy.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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See Note G: **E: Goodwill and Other Intangible Assets** and Note B: **O: Acquisitions Divestitures and Asset Sales** **Divestitures** in these Notes and Note 4: **Business 13: Acquisitions, Divestitures and Asset Sales** in our Fiscal **2022** **2023** Form 10-K for additional information regarding fair value measurements associated with acquisitions, divestitures and goodwill.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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NOTE M: CHANGES IN ESTIMATES

Many of our contracts utilize the POC cost-to-cost method of revenue recognition. A single estimated profit margin is used to recognize profit for each performance obligation over its period of performance. At the outset of each contract, we gauge its complexity and **perceived associated** risks and establish an estimated total cost at completion. Due to the long-term nature of many of these contracts, developing these estimates often requires judgment. After establishing the estimated total cost at completion, we follow a standard **Estimate estimate at Completion completion** ("EAC") process in which we review the progress and performance on our ongoing **contracts at least quarterly and, in many cases, more frequently**. As the contracts progress, we may successfully retire risks or complexities and may add additional risks, and we adjust our estimated total cost at completion. For additional discussion of our revenue recognition policies and our EAC process, see "Critical Accounting Estimates" in Part II: Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Fiscal 2022 2023 Form 10K 10-K.

Net EAC adjustments had the following impact to earnings for the periods presented:

	Quarter Ended		Three Quarters Ended					
	Quarter Ended		Quarter Ended					
	Quarter Ended		Quarter Ended					
	Quarter Ended		Quarter Ended					
(In millions, except per share amounts)	(In millions, except per share amounts)	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022	(In millions, except per share amounts)	March 29, 2024	March 31, 2023
Net EAC adjustments, before income taxes ⁽¹⁾	Net EAC adjustments, before income taxes ⁽¹⁾	\$ (10)	\$ —	\$ (97)	\$ 58			
Net EAC adjustments, before income taxes ⁽¹⁾	Net EAC adjustments, before income taxes ⁽¹⁾							
Net EAC adjustments, net of income taxes	Net EAC adjustments, net of income taxes	(8)	—	(73)	44			
Net EAC adjustments, net of income taxes, per diluted share	Net EAC adjustments, net of income taxes, per diluted share	(0.04)	—	(0.38)	0.23			

(1) For the **three quarters** quarter ended **September 29, 2023** **March 31, 2023**, excludes charges of **\$48 million** **\$18 million** related to impairments of customer contracts that are included in the **"Revenue from product sales" "Revenue" and "services"** and **"Impairment" "Cost of goodwill and other assets" "revenue"** line items in our Condensed Consolidated Statement of Operations.

Revenue recognized from performance obligations satisfied in prior periods was **\$28 million** **\$53 million** and **\$97 million** **\$36 million** for the **quarter** and **three quarters** ended **September 29, 2023**, respectively, **March 29, 2024** and **\$23 million** and **\$113 million** for the **quarter** and **three quarters** ended **September 30, 2022** **March 31, 2023**, respectively.

NOTE N: M: BACKLOG

Backlog, which is the equivalent of our remaining performance obligations, represents the future revenue we expect to recognize as we perform on our current contracts. Backlog comprises both funded backlog (i.e., firm orders for which funding is authorized and appropriated) and unfunded backlog. Backlog excludes unexercised contract options and potential orders under ordering-type contracts, such as indefinite delivery, indefinite quantity contracts.

At **September 29, 2023** **March 29, 2024**, our ending backlog was **\$31.8 billion** **\$32.1 billion**. We expect to recognize approximately **55%** **50%** of the revenue associated with this backlog **by over the end of 2024** **next twelve months** and **approximately 80%** **by an additional 25%** **over the end of 2025**, **following twelve months**, with the remainder to be recognized thereafter.

NOTE N: RESTRUCTURING AND OTHER EXIT COSTS

From time to time, we record charges for restructuring and other exit activities related to changes in management structure and fundamental reorganizations that affect the nature and focus of operations, such as our LHX NeXt initiative, described below. Such charges may include severance benefits and costs to consolidate facilities or relocate employees. We record these charges at their fair value when incurred. In cases where employees are required to render service

until they are terminated in order to receive the termination benefits and will be retained beyond the minimum retention period, we record the expense ratably over the future service period. These charges are included as a component of the "General and administrative expenses" line item in our Consolidated Statement of Operations.

LHX NeXt initiative. LHX NeXt is our initiative to transform multiple functions, systems and processes to increase agility and competitiveness, as discussed in more detail under the "Operating Environment, Strategic Priorities and Key Performance Measures" section in Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Fiscal 2023 Form 10-K.

In connection with our LHX NeXt program restructuring activities, we recorded employee severance related charges of \$64 million during the quarter ended March 29, 2024. At **December 30, 2022** March 29, 2024, we had remaining liabilities of \$55 million, which we expect will be paid in the next twelve months.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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Our liabilities for restructuring are included in the "Compensation and benefits" line item in our **ending backlog** was \$22.3 billion. Condensed Consolidated Balance Sheet. Changes to our liabilities for restructuring and other exit costs during the quarter ended March 29, 2024 were as follows:

(In millions)	Employee Severance Related Costs
Balance at December 29, 2023	\$ 4
Additional provisions	64
Payments	(13)
Total changes	51
Balance at March 29, 2024	\$ 55

NOTE O: ACQUISITIONS AND DIVESTITURES

Acquisition of AJRD

On July 28, 2023, we acquired AJRD, a technology-based engineering and manufacturing company that develops and produces missile solutions and technologies for strategic defense, missile defense, and hypersonic and tactical systems, as well as space propulsion and power systems for national security space and exploration missions. The acquisition provides us access to a new market. We acquired 100% of AJRD for a total net purchase price of \$4,715 million. The acquisition was financed through the issuance and sale of \$3.25 billion aggregate principal amount of new long-term fixed-rate debt consisting of the 5.4% 2027 Notes, the 5.4% 2033 Notes and the 5.6% 2053 Notes (collectively, the "AJRD Notes") and a draw down under the 2023 Credit Agreement. See *Note 8: Debt and Credit Arrangements* in our Fiscal 2023 Form 10-K for further information regarding the financing of the AJRD acquisition.

Net assets and results of operations of AJRD are reflected in our financial results commencing on July 28, 2023, the acquisition date, and are reported in our AR segment, which is also the AR reporting unit, and corporate headquarters.

We accounted for the acquisition of AJRD using the acquisition method of accounting, which required us to measure identifiable assets acquired and liabilities assumed in the acquiree at their fair values as of the acquisition date, with the excess of the consideration transferred over those fair values recorded as goodwill. Our preliminary fair value estimates and assumptions are subject to change as we obtain additional information over the measurement period and our measurement of certain assets and contingencies, such as intangible assets, property, plant and equipment, real estate held for development and leasing, loss contracts, environmental matters and related deferred tax impacts remain preliminary for completion of the related valuations.

As of the acquisition date, the fair value of consideration transferred consisted of the following:

(In millions)	July 28, 2023
Cash consideration paid for AJRD outstanding common stock & equity awards	\$ 4,748
AJRD debt settled by L3Harris	257
Cash consideration paid	5,005
Less cash acquired	(290)
Fair value of consideration transferred	\$ 4,715

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The following table summarizes the preliminary allocation of the fair value of consideration transferred to assets acquired and liabilities assumed as of the acquisition date:

(In millions)	July 28, 2023				
	Preliminary	Measurement Period		Preliminary	
		Adjustments, Net ⁽¹⁾	Adjusted	Adjusted	Adjusted
Receivables	\$ 156	\$ —	\$ 156	\$ 156	\$ 156
Contract assets	338	(69)	269	269	269
Inventories	14	—	14	14	14
Other current assets	117	19	136	136	136
Property, plant and equipment	574	11	585	585	585
Goodwill	2,348	125	2,473	2,473	2,473
Other intangible assets	2,860	—	2,860	2,860	2,860
Other non-current assets	609	65	674	674	674
Total assets acquired	\$ 7,016	\$ 151	\$ 7,167	\$ 7,167	\$ 7,167
Current portion of long-term debt, net	\$ 1	\$ —	\$ 1	\$ 1	\$ 1
Accounts payable	145	—	145	145	145
Contract liabilities	310	45	355	355	355
Compensation and benefits	116	1	117	117	117
Income taxes payable	6	(1)	5	5	5
Other accrued items	278	81	359	359	359
Long-term debt, net	41	—	41	41	41
Deferred income taxes	398	82	480	480	480
Other long-term liabilities	1,006	(57)	949	949	949
Total liabilities assumed	\$ 2,301	\$ 151	\$ 2,452	\$ 2,452	\$ 2,452
Fair value of consideration transferred	\$ 4,715	\$ —	\$ 4,715	\$ 4,715	\$ 4,715

(1) Fair value adjustments during the measurement period primarily related to EAC updates, refinements to the fair value of fixed assets, as well as an update to the deferred tax liability which was offset by the release of a portion of the uncertain tax position previously booked by AJRD.

We determined the fair value of assets acquired and liabilities assumed by using available market information and various valuation methods that require judgment related to estimates. Our accounting for the acquisition of AJRD remains preliminary. Amounts recorded associated with these assets and liabilities are based on preliminary calculations and estimates. Our preliminary estimates and assumptions are subject to change as we obtain additional information during the measurement period (up to one year from the acquisition date). Any potential adjustments made could be material in relation to the preliminary values presented above.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Intangible Assets. All finite-lived intangible assets identified in the AJRD acquisition are subject to amortization. The preliminary fair value and weighted-average amortization period of identifiable intangible assets acquired as of the acquisition date is as follows:

	Total (In millions)	Useful Lives (In Years)
Customer relationships:(1)		
Backlog	\$ 355	3
Government programs	2,385	15 - 20
Total customer relationships	2,740	
Trade names	120	15
Total identifiable intangible assets acquired	\$ 2,860	

(1) AJRD had backlog and government programs intangible assets that we classified as customer relationships.

The fair value of intangible assets is estimated using the relief from royalty method for the acquired trade names and the multi-period excess earnings method for the acquired customer relationships. Both of these level 3 fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the trade names intangible assets, revenue growth attributable to the intangible assets and remaining useful lives.

Forward Loss Provision. We have recorded a preliminary forward loss provision of \$124 million which was included in the "Other accrued items" line item in our Condensed Consolidated Balance Sheet. The forward loss provisions will be recognized as a reduction to cost of sales as we incur costs to satisfy the associated performance obligations. There will be no net impact on our Condensed Consolidated Statement of Operations. We recognized \$14 million of amortization related to the forward loss provision in the quarter ended March 29, 2024.

Off-market Customer Contracts. We have identified certain contractual obligations with customers with economic returns that are higher or lower than could be realized in market transactions as of the acquisition date and have recorded liabilities for the preliminary acquisition date fair value of the off-market components. The preliminary acquisition date fair value of the off-market components is a net liability of \$115 million, consisting of \$34 million and \$81 million included in the "Other accrued items" and "Other long-term liabilities" line items in our Condensed Consolidated Balance Sheet, respectively, and excludes any amounts already recognized in forward loss provisions (see discussion in the preceding paragraph). We measured the fair value of these components as the amount by which the terms of the contract with the customer deviates from the terms that a market participant could have achieved at the acquisition date. The off-market components of these contracts will be recognized as an increase to revenue as we incur costs to satisfy the associated performance obligations. We recognized \$8 million of amortization related to off-market contract liabilities in the quarter ended March 29, 2024.

Goodwill. The \$2,473 million of goodwill recognized is attributable to AJRD's market presence as the provider of advanced propulsion and power systems for nearly every major U.S. space and missile program, the assembled workforce and established operating infrastructure. The acquired goodwill is not tax deductible. See Note E: Goodwill and Other Intangible Assets in these Notes for further information.

Financial Results. Revenue and income before income taxes of AR included in our Condensed Consolidated Statement of Operations for the quarter ended March 29, 2024 were \$542 million and \$72 million, respectively. Unaudited pro forma financial results of the operations acquired with AJRD for the quarter ended March 31, 2023 were \$566 million of revenue and \$60 million of income before income taxes, which were prepared as if the acquisition was completed on the first day of our fiscal 2023, December 31, 2022. The pro forma results include adjustments to remove costs directly attributable to the acquisition, such as transaction-related costs and the impact of purchase price adjustments, and certain corporate expenses such as pension, interest, and amortization. The pro forma results do not include any integration synergies and are not necessarily indicative of our results of operations that actually would have been obtained had the acquisition of AJRD been completed for the period presented, or which may be realized in the future.

Acquisition-Related Costs. Acquisition-related costs have been expensed as incurred. In connection with the AJRD acquisition, we recorded transaction and integration costs of \$28 million for the quarter ended March 29, 2024, which were included in the "General and administrative expenses" line item in our Condensed Consolidated Statement of Operations.

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(Unaudited)

Pending Divestiture of CAS Disposal Group

During the quarter ended December 29, 2023, we entered into a definitive agreement to sell our CAS Disposal Group for a cash purchase price of \$700 million, with additional contingent consideration of up to \$100 million, subject to customary purchase price adjustments and closing conditions as set forth in the agreement. As of March 29, 2024, the fair value less costs to sell of the CAS Disposal Group was \$891 million, inclusive of consideration related to noncontrolling interest and accumulated other comprehensive income. Income before income taxes for the quarters ended March 31, 2023 and March 29, 2024 were \$17 million

and \$21 million, respectively. The CAS Disposal Group, which is part of our IMS segment, provides integrated aircraft avionics, pilot training and data analytics services for the commercial aviation industry. The transaction is expected to close in fiscal 2024.

In connection with the preparation of our financial statements for fiscal 2023, we concluded that goodwill related to the CAS Disposal Group was impaired and we recorded a non-cash impairment charge of \$296 million, which is included in the Impairment of goodwill and other assets line item. See Note 6: *Goodwill and Intangible Assets* in our Fiscal 2023 Form 10-K. Additionally, we recognized a pre-tax loss of \$77 million included in the "Asset group and business divestiture-related (losses) gains, net" line item in our Consolidated Statement of Operations in our Fiscal 2023 Form 10-K.

The carrying amounts of the assets and liabilities of the CAS Disposal Group is classified as held for sale in our Condensed Consolidated Balance Sheets as of March 29, 2024 were as follows:

(In millions)	March 29, 2024
Receivables, net	\$ 94
Contract assets	48
Inventories	162
Other current assets	23
Property, plant and equipment, net	41
Goodwill	534
Other intangible assets, net	263
Other non-current assets	48
Valuation allowance	(77)
Total assets held for sale	\$ 1,136
Accounts payable	\$ 93
Contract liabilities	49
Compensation and benefits	6
Other accrued items	34
Other long-term liabilities	63
Total liabilities held for sale	\$ 245

Fair Value of Businesses and Goodwill Allocation. For purposes of allocating goodwill to the disposal groups that represent a portion of a reporting unit, which is our business segment level or one level below the business segment, we determine the fair value of each disposal group based on the respective negotiated selling price, and the fair value of the retained businesses of the respective reporting unit based on a combination of market-based and income based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and projected discounted cash flows. These fair value determinations are categorized as Level 3 in the fair value hierarchy due to their use of internal projections and unobservable measurement inputs. See Note E: *Goodwill and Other Intangible Assets* and Note K: *Fair Value Measurements* in these Notes for additional information.

NOTE P: BUSINESS SEGMENT INFORMATION

We structure our operations primarily around the products, systems and services we sell and the markets we serve and report our financial results in the following four reportable segments:

- SAS: including space payloads, sensors and full-mission solutions; classified intelligence and cyber; avionics; electronic warfare; and mission networks for air traffic management operations;
- IMS: including multi-mission intelligence, surveillance and reconnaissance ("ISR") systems; integrated electrical passive sensing and targeting; electronic systems for maritime platforms; advanced electro-optical attack; autonomy; power and infrared solutions; fusing communications; networks; sensors; and ordnance systems; commercial the CAS Disposal Group, which includes aviation products; products and commercial pilot training operations; operations, see Note O: *Acquisitions and Divestitures*;
- CS: including tactical communications with global communications solutions; broadband communications; tactical data links; integrated vision solutions; and public safety radios, and system applications and equipment; and
- AR: including missile solutions with propulsion technologies for strategic defense, missile defense, and hypersonic and tactical systems; and space propulsion and power systems for national security space and exploration missions.

Business Realignment. Realignment

Effective December 31, 2022, we adjusted our reporting for fiscal 2024, to better align our businesses, we adjusted our SAS and IMS segments.

SAS. We combined our Advanced Combat Systems and Mission Avionics sectors into the Airborne Combat Systems ("ACS") sector, as described below.

- ACS: Sensors, processors, hardened electronics, release systems, displays and antennas for aircraft platforms, threat warning, countermeasures and launched efforts for airborne, ground and maritime platforms.

IMS. We split our EO sector into two sectors, as described below, and transferred our ADG business from our IMS segment EO to our SAS segment. See **Note A: Basis of Presentation and Summary of Significant Accounting Policies** in the Notes for further information. Maritime sector.

Acquisition of TDL. • On January 3, 2023, we completed the acquisition of TDL, which is reported within our CS segment. See **Note B: Acquisitions, Divestitures GOS: passive sensing and Asset Sales** in these Notes for additional information regarding our acquisition of TDL, targeting and laser imaging and sensor systems.

Acquisition of AJRD. • DE: fuzing, navigation and New Business Segment. On July 28, 2023, we completed the acquisition of AJRD. Upon completion of the acquisition, we established a new reportable segment, AR. See **Note B: Acquisitions, Divestitures range-testing solutions and Asset Sales** in these Notes for additional information regarding our acquisition of AJRD, space communications and avionics.

Business Segment Financial Information

Segment revenue, segment operating income (loss) and a reconciliation of segment operating income (loss) to total income (loss) before income taxes are as follows:

(In millions)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Revenue from Product Sales and Services				
SAS	\$ 1,686	\$ 1,593	\$ 5,056	\$ 4,682
IMS	1,568	1,630	5,003	4,897
CS	1,255	1,068	3,707	3,024
AR	455	**	455	**
Corporate eliminations	(49)	(45)	(142)	(119)
Total revenue from product sales and services	\$ 4,915	\$ 4,246	\$ 14,079	\$ 12,484
Income (loss) before Income Taxes				
<i>Segment operating income (loss):</i>				
SAS ⁽¹⁾	\$ 210	\$ 92	\$ 565	\$ 472
IMS ⁽¹⁾	187	(143)	534	315
CS	282	(97)	873	370
AR	56	**	56	**
Total segment operating income (loss)	735	(148)	2,028	1,157
<i>Unallocated Items:</i>				
Unallocated corporate department (expense) income, net ⁽²⁾	14	18	(27)	33
Amortization of acquisition-related intangibles ⁽³⁾	(208)	(151)	(546)	(454)
Additional cost of sales related to the fair value step-up in inventory sold	—	—	(30)	—
Merger, acquisition, and divestiture related expenses	(56)	(31)	(144)	(117)
Sale of asset group and business divestiture-related gains, net	—	—	26	8
Impairment of goodwill and other assets ⁽⁴⁾	—	—	(39)	—
LHX NeXt ⁽⁵⁾	(33)	—	(68)	—
Charges for severance and other termination costs	—	(29)	—	(29)
Charge related to an additional pre-merger legal contingency	—	(31)	—	(31)
FAS/CAS operating adjustment ⁽⁶⁾	27	22	72	65
Total unallocated items	(256)	(202)	(756)	(525)
Non-operating income, net	80	99	245	313

Interest expense, net	(159)	(70)	(372)	(205)
Income (loss) before income taxes	\$ 400	\$ (321)	\$ 1,145	\$ 740

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Revenue		
SAS	\$ 1,751	\$ 1,655
IMS	1,669	1,700
CS	1,294	1,163
AR	542	**
Corporate eliminations	(45)	(47)
Total revenue	\$ 5,211	\$ 4,471
Income before Income Taxes		
<i>Operating income:</i>		
SAS	\$ 216	\$ 187
IMS	190	185
CS	310	266
AR	72	**
Total segment	788	638
Total unallocated corporate expenses	(410)	(245)
Total operating income	378	393
Non-service FAS pension income and other, net	88	82
Interest expense, net	(176)	(102)
Income before income taxes	\$ 290	\$ 373

** AR is a new reportable segment established during the quarter ended September 29, 2023, which consists of operations of AJRD. As such, there is no comparable prior year information.

(1) For Unallocated Corporate Expenses

Total unallocated corporate expenses include corporate items such as a portion of management and administration, legal, environmental, compensation, retiree benefits, other corporate expenses and eliminations and the three quarters ended September 29, 2023, includes non-cash charges for impairment FAS/Cost Accounting Standards ("CAS") operating adjustment. Total unallocated corporate expenses also include the portion of other assets of \$27 million and \$12 million for SAS and IMS, respectively, related to restructuring of a customer contract impacting both segments and facility closures in IMS.

(2) Includes certain corporate-level expenses that are corporate costs not included in management's evaluation of any segment's segment operating performance.

(3) Includes performance, such as amortization of identifiable intangible assets acquired in connection with business combinations. Because our acquisitions benefited the entire Company, the amortization acquisition-related intangibles; additional cost of identifiable intangible assets acquired was not allocated to any segment.

(4) For the three quarters ended September 29, 2023, includes a \$21 million non-cash charge for impairment of intangible assets revenue related to the closure of a facility fair value step-up in inventory sold; merger, acquisition, and an \$18 million charge related to a divestiture-related expenses; asset group and business divestiture-related (losses) gains, net; impairment of a customer contract. See Note G: Goodwill and Other Intangible Assets in these Notes for additional information regarding impairment of intangible assets.

(5) Costs associated with transforming multiple functions, systems and processes to increase agility and competitiveness, including third-party consulting, workforce optimization and incremental information technology ("IT") expenses for implementation of new systems.

(6) Represents the difference between the service cost component of Financial Accounting Standards ("FAS") pension goodwill and other postretirement benefits ("OPEB") cost assets; gain on sale of property, plant and total U.S. Government Cost Accounting Standards ("CAS") pension equipment; LHX NeXt implementation costs; and OPEB cost and replaces the "Pension adjustment" line item previously presented, which included the non-service components of FAS pension and OPEB income. See FAS/CAS operating adjustment table below other items.

FAS/CAS Pension Operating Adjustment

In accordance with CAS, we allocate a portion of pension and OPEB plan costs to our U.S. Government contracts. However, our Condensed Consolidated Financial Statements require pension and OPEB plan income or expense to be calculated in accordance with FAS requirements under GAAP. The "FAS/CAS operating adjustment" line item in the table below represents the difference between the service cost component of FAS pension and OPEB cost and total CAS pension and OPEB cost. The non-service cost components of FAS pension and OPEB income or expense are included as component of the "Non-operating" "Non-

service FAS pension income and other, net" line item in our Condensed Consolidated Statement of Operations. See Note **I: Pension and Other Postretirement Benefit Plans H: Retirement Benefits** in these Notes for more information on the composition of non-service cost components of FAS pension and OPEB income and expense.

The table below is a reconciliation of the FAS/CAS operating adjustment:

(In millions)	(In millions)	Quarter Ended		Three Quarters Ended		(In millions)	March 29, 2024	March 31, 2023			
		September		September							
		29, 2023	30, 2022	29, 2023	30, 2022						
FAS pension service cost											
FAS pension service cost											
FAS pension service cost	FAS pension service cost	\$ (10)	\$ (11)	\$ (23)	\$ (34)						
Less: CAS pension cost	Less: CAS pension cost	(37)	(33)	(95)	(99)						
FAS/CAS operating adjustment	FAS/CAS operating adjustment	27	22	72	65						
Non-service FAS pension income	Non-service FAS pension income	78	111	232	332						
FAS/CAS pension adjustment, net	FAS/CAS pension adjustment, net	\$ 105	\$ 133	\$ 304	\$ 397						

Disaggregation of Revenue

We disaggregate revenue for all four business segments by customer relationship, contract type and geographical region. We believe these categories best depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(In millions)	Quarter Ended							
	September 29, 2023				September 30, 2022			
	SAS	IMS	CS	AR	SAS	IMS	CS	AR
Revenue By Customer Relationship								
Prime contractor	\$ 1,082	\$ 962	\$ 866	\$ 113	\$ 1,013	\$ 1,089	\$ 690	**
Subcontractor	592	585	374	342	565	525	364	**
Intersegment	12	21	15	—	15	16	14	**
Total revenue	\$ 1,686	\$ 1,568	\$ 1,255	\$ 455	\$ 1,593	\$ 1,630	\$ 1,068	**
Revenue By Contract Type								
Fixed-price ⁽¹⁾	\$ 1,040	\$ 1,164	\$ 1,047	\$ 272	\$ 939	\$ 1,246	\$ 899	**
Cost-reimbursable	634	383	193	183	639	368	155	**

Intersegment	12	21	15	—	15	16	14	**
Total revenue	\$ 1,686	\$ 1,568	\$ 1,255	\$ 455	\$ 1,593	\$ 1,630	\$ 1,068	**
Revenue By Geographical Region								
United States	\$ 1,478	\$ 1,141	\$ 874	\$ 443	\$ 1,414	\$ 1,213	\$ 706	**
International	196	406	366	12	164	401	348	**
Intersegment	12	21	15	—	15	16	14	**
Total revenue	\$ 1,686	\$ 1,568	\$ 1,255	\$ 455	\$ 1,593	\$ 1,630	\$ 1,068	**

Three Quarters Ended								
(In millions)	September 29, 2023				September 30, 2022			
	SAS	IMS	CS	AR	SAS	IMS	CS	AR
Revenue By Customer Relationship								
Prime contractor	\$ 3,176	\$ 3,243	\$ 2,471	\$ 113	\$ 2,977	\$ 3,210	\$ 2,037	**
Subcontractor	1,845	1,694	1,196	342	1,669	1,636	954	**
Intersegment	35	66	40	—	36	51	33	**
Total revenue	\$ 5,056	\$ 5,003	\$ 3,707	\$ 455	\$ 4,682	\$ 4,897	\$ 3,024	**
Revenue By Contract Type								
Fixed-price ⁽¹⁾	\$ 3,161	\$ 3,767	\$ 3,127	\$ 272	\$ 2,737	\$ 3,716	\$ 2,530	**
Cost-reimbursable	1,860	1,170	540	183	1,909	1,130	461	**
Intersegment	35	66	40	—	36	51	33	**
Total revenue	\$ 5,056	\$ 5,003	\$ 3,707	\$ 455	\$ 4,682	\$ 4,897	\$ 3,024	**
Revenue By Geographical Region								
United States	\$ 4,407	\$ 3,679	\$ 2,499	\$ 443	\$ 4,136	\$ 3,549	\$ 1,962	**
International	614	1,258	1,168	12	510	1,297	1,029	**
Intersegment	35	66	40	—	36	51	33	**
Total revenue	\$ 5,056	\$ 5,003	\$ 3,707	\$ 455	\$ 4,682	\$ 4,897	\$ 3,024	**

Quarter Ended								
(In millions)	March 29, 2024				March 31, 2023			
	SAS	IMS	CS	AR	SAS	IMS	CS	AR
Revenue By Customer Relationship								
Prime contractor	\$ 1,108	\$ 1,066	\$ 913	\$ 153	\$ 1,010	\$ 1,154	\$ 807	**
Subcontractor	628	587	367	389	632	525	343	**
Intersegment	15	16	14	—	13	21	13	**
Total segment	\$ 1,751	\$ 1,669	\$ 1,294	\$ 542	\$ 1,655	\$ 1,700	\$ 1,163	**
Revenue By Contract Type								
Fixed-price ⁽¹⁾	\$ 1,108	\$ 1,278	\$ 1,065	\$ 302	\$ 1,022	\$ 1,286	\$ 978	**
Cost-reimbursable	628	375	215	240	620	393	172	**
Intersegment	15	16	14	—	13	21	13	**
Total segment	\$ 1,751	\$ 1,669	\$ 1,294	\$ 542	\$ 1,655	\$ 1,700	\$ 1,163	**
Revenue By Geographical Region								

United States	\$ 1,507	\$ 1,203	\$ 925	\$ 527	\$ 1,454	\$ 1,257	\$ 791	**
International	229	450	355	15	188	422	359	**
Intersegment	15	16	14	—	13	21	13	**
Total segment	\$ 1,751	\$ 1,669	\$ 1,294	\$ 542	\$ 1,655	\$ 1,700	\$ 1,163	**

** AR is a new reportable segment established during the quarter ended September 29, 2023, which consists of operations of AJRD. As such, there is no comparable prior year information.

(1) Includes revenue derived from time-and-materials contracts.

Assets by Business Segment

Total assets by business segment are as follows:

(In millions)	September 29, 2023			December 30, 2022			(In millions)	March 29, 2024	December 29, 2023			
	(In millions)	29, 2023	30, 2022	(In millions)								
Total Assets												
SAS												
SAS	SAS	\$ 9,099	\$ 8,838									
IMS	IMS	10,869	10,925									
CS	CS	7,184	5,800									
AR	AR	4,078	**									
Corporate ⁽¹⁾	Corporate ⁽¹⁾	11,063	7,961									
Total Assets	Total Assets	\$42,293	\$33,524									

** AR is a new reportable segment established during the quarter ended September 29, 2023, which consists of operations of AJRD. As such, there is no comparable prior year information.

(1) Identifiable intangible assets acquired in connection with business combinations were recorded as corporate assets because they benefited the entire Company. Identifiable intangible asset balances recorded as corporate assets were \$9.1 \$8.3 billion and \$6.0 \$8.5 billion at September 29, 2023 March 29, 2024 and December 30, 2022 December 29, 2023, respectively. Corporate assets also consisted of cash, income taxes receivable, deferred income taxes, deferred compensation plan investments, buildings and equipment, real estate held for development and leasing, as well as any assets of businesses held for sale.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE P:Q: LEGAL PROCEEDINGS AND CONTINGENCIES

In the ordinary course of business, we are routinely defendants in, parties to or otherwise subject to many pending and threatened legal actions, claims, disputes, arbitration and other legal proceedings incident to our business, arising from or related matters, including but not limited to: product liability; personal injury; patents, trademarks, trade secrets or other intellectual property; labor and employment employee disputes; commercial or contractual disputes; strategic acquisitions or divestitures; the prior sale or use of former products allegedly containing asbestos or other restricted materials; breach of warranty; and/or environmental matters. Claimed amounts against us may be substantial, but may not bear any reasonable relationship to the merits of the claim or the extent of any real risk of court or arbitration awards. We accrue contingencies based on a range of possible outcomes. We record accruals for losses related to those matters against us that we consider to be probable and that can be reasonably estimated. Gain contingencies, if any, are recognized when they are realized and legal costs generally are expensed when incurred. At September 29, 2023 March 29, 2024, our accrual for the potential resolution of lawsuits, claims or proceedings that we consider probable of being decided unfavorably to us was not material. We cannot at this time estimate the reasonably possible loss or range of loss in excess of our accrual due to the inherent uncertainties and speculative nature of contested proceedings. Although it is not feasible to predict the outcome of these matters with certainty, it is reasonably possible that some lawsuits, claims or proceedings may be disposed of or decided unfavorably to us and in excess of the amounts currently accrued. Based based on available information, in the opinion of management, settlements, arbitration awards and final judgments, if any, that are considered probable of being rendered against us in litigation or arbitration in existence at September 29, 2023 March 29, 2024 are reserved against or would not have a material adverse effect on our financial condition, results of operations, cash flows or equity.

Environmental Matters

We are subject to numerous U.S. Federal, state, local and international environmental laws and regulatory requirements and are involved from time to time in investigations or litigation of various potential environmental issues. We or companies we have acquired, including AJRD, are responsible, or alleged to be responsible, for environmental investigation and/or remediation of multiple sites, including sites owned by us and third party third-party sites. These sites are in

various stages of investigation and/or remediation, and in some cases our liability is considered de minimis. Notices from the U.S. Environmental Protection Agency ("EPA") or equivalent state or international environmental agencies allege that several sites formerly or currently owned and/or operated by us or companies we have acquired, and other properties or water supplies that may be or have been impacted from those operations, contain disposed or recycled materials or wastes and require environmental investigation and/or remediation. These sites include instances of being identified as a potentially responsible party ("PRP") under the Comprehensive Environmental Response, Compensation and Liability Act (commonly known as the "Superfund Act"), the Resource Conservation Recovery Act and/or equivalent state and international laws, and in some instances, our liability and proportionate share of costs that may be shared among other PRPs have not been determined largely due to uncertainties as to the nature and extent of site conditions and our involvement.

In conjunction with the acquisition Based on an assessment of AJRD in the quarter ended September 29, 2023 relevant factors, we recognized \$469 million estimated that our liability under applicable environmental statutes and regulations for identified sites was \$614 million as of reserves for environmental remediation costs related to approximately 40 environmental matters associated with AJRD's current and former facilities. March 29, 2024. The current and non-current portion of the reserves are our estimated environmental liability is included as a component of the "Other accrued items" line item and "Reserves for environmental remediation costs" the non-current portion is included in the "Other long-term liabilities" line items, respectively, item in our Condensed Consolidated Balance Sheet. Some of these environmental costs are eligible for future recovery in the pricing of our products and services to the U.S.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

government and under existing third party agreements. We consider the recovery probable based on U.S. government contracting regulations and existing third party third-party agreements. We recognized \$433 million As of March 29, 2024, we had an asset for the recoverable portion of these reserves. reserves of \$433 million. The current and non-current portion of the recoverable costs are included as a component of the "Other current assets" and "Recoverable environmental remediation costs" "Other non-current assets" line items, respectively, in our Condensed Consolidated Balance Sheet. Our preliminary estimates and assumptions are subject to change as we obtain additional information during the measurement period (up to one year from the acquisition date); therefore, these provisional measurements of the assets acquired and liabilities assumed are subject to change.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The largest acquired environmental matter is the Sacramento, California site. AJRD is We are subject to a Partial Consent Decree ("PCD") related to for this site, which requires us, among other things, to conduct a Remedial Investigation and Feasibility Study to determine the nature and extent of impacts due to the release of chemicals from the Sacramento, California site, monitor the American River and offsite public water supply wells, operate Groundwater Extraction and Treatment facilities that collect groundwater at the site perimeter, and pay certain government oversight costs. The PCD required a guarantee up to \$75 million (in addition to a prior \$20 million guarantee) to assure that the Sacramento remediation activities are fully funded. Obligations under the \$75 million aggregate guarantee are limited to \$10 million in any year. Both the \$75 million aggregate guarantee and the \$10 million annual limitation are subject to adjustment annually for inflation. As of September 29, 2023 March 29, 2024, the estimated range of anticipated costs for the Sacramento, California site related to the PCD and other federal and state orders was \$239 \$268 million to \$372 \$403 million and the accrued amount was \$239 \$268 million included as a component of the "Other accrued items" and "Reserves for environmental remediation costs" "Other long-term liabilities" line item in our Condensed Consolidated Balance Sheet.

NOTE R: SUBSEQUENT EVENTS

On April 5, 2024, we entered into a definitive agreement to sell our antenna and related businesses to Kanders & Company, Inc. for \$200 million subject to customary closing conditions and regulatory approvals. The antenna and related businesses are part of our SAS segment, and they provide a variety of airborne and ground-based antennas and test equipment. The transaction is expected to close in the second quarter of 2024.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of L3Harris Technologies, Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of L3Harris Technologies, Inc. and subsidiaries (the Company) as of **September 29, 2023** **March 29, 2024**, the related condensed consolidated statements of operations, comprehensive income, cash flows and equity for the quarter and three quarters ended **September 29, 2023** **March 29, 2024** and **September 30, 2022** **March 31, 2023**, the condensed consolidated statements of cash flows for the three quarters ended **September 29, 2023** and **September 30, 2022** and the related notes (collectively referred to as the "condensed consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheet of the Company as of **December 30, 2022** **December 29, 2023**, the related consolidated statements of operations, comprehensive income, cash flows and equity for the year then ended, and the related notes (not presented herein); and in our report dated **February 24, 2023** **February 16, 2024**, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of **December 30, 2022** **December 29, 2023**, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. 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 SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP

Orlando, Florida

October 27, 2023 **April 26, 2024**

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

The following Management's Discussion and Analysis ("MD&A") is intended to assist in an understanding of our financial condition and results of operations. This MD&A is provided as a supplement to, should be read in conjunction with, and is qualified in its entirety by reference to, our Condensed Consolidated Financial Statements and accompanying Notes. In addition, reference should be made to our audited Consolidated Financial Statements and accompanying Notes to our Consolidated Financial Statements and *Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Fiscal **2022** **2023** Form 10-K. Except for the historical information contained herein, the discussions in this MD&A contain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below in this MD&A under "Forward-Looking Statements and Factors that May Affect Future Results."

OVERVIEW

We are the Trusted Disruptor for in the global aerospace and defense industry. With customers' mission-critical needs always in mind, we deliver end-to-end technology solutions connecting the space, air, land, sea missiles and munitions and cyber domains. domains in the interest of national security. We support government and commercial customers in more than 100 countries, with our largest customers being various departments and agencies of the U.S. Government and their prime contractors. Our products and services have defense and civil government applications, as well as commercial applications. We generally sell directly to our customers, and we utilize agents and intermediaries to sell and market some products and services, especially in international markets.

U.S. and International Budget Environment

Our largest customers are various departments and agencies of the U.S. Government — the percentage of our revenue that was derived from sales to U.S. Government customers, including foreign military sales funded through the U.S. Government, whether directly or through prime contractors, was **75%** **77%** for the three quarters ended **September 29, 2023** **March 29, 2024**.

On December 29, 2022, the President signed the National Defense Authorization Act, providing \$858 billion of national defense funding for the 2023 U.S. Government fiscal year ("GFY"), of which \$816 billion was allotted to the DoD. On March 13, 2023, the DoD released details around the President's GFY 2024

\$886 billion national defense budget request ("2024 PBR"). The PBR includes \$842 billion for the DoD, a proposed increase of approximately 3% over the enacted GFY 2023 DoD budget. Many of our offerings funded in the enacted GFY 2023 DoD budget are also supported by the 2024 PBR, including responsive satellites, ISR aircraft, tactical communications and maritime solutions.

On June 3, 2023, the President signed the Fiscal Responsibility Act of 2023 ("FRA"), which suspended the federal debt limit through January 1, 2025 and established new discretionary funding limits for defense and non-defense accounts. The FRA capped GFY

From September 2023 through early March 2024, national defense funding at \$886 billion, including \$842 billion for a series of short-term Continuing Resolutions ("CR") were enacted to fund the DoD specifically, and non-defense funding at \$704 billion.

government while Congress worked to finalize final U.S. Government fiscal year ("GFY") 2024 appropriations bills. On September 30, 2023 March 9, 2024, the President signed a short-term Continuing Resolution ("CR"), funding the government for 48 days through November 17, 2023. Congress has until November 17th to enact a full-year first tranche of GFY 2024 appropriations bill or another CR to fund the government. While operating under a CR, funding bills into law, which funded six government agencies, are allocated a portion including funding for the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, and the Federal Aviation Administration, through the remainder of the fiscal year which ends on September 30, 2024. A second funding bill, signed into law on March 23, 2024, funded all remaining agencies, including the U.S. Department of Defense ("DoD"), through the remainder of the fiscal year. The bill provides approximately \$844 billion in funding for DoD. This was in line with our expectations for modest 3% growth for defense over GFY 2023 enacted funds, levels and in line with the first year of the FRA caps.

On March 11, 2024, the President's Budget Request for GFY 2025 ("2025 PBR") was released. The DoD is prohibited from starting new programs, requested \$850 billion, a 1% topline increase consistent with the FRA caps.

The overall defense spending environment, both in the U.S. and internationally, reflects the continued impacts of the conflicts in Ukraine and geopolitical tensions across Asia and the Middle East, and changes to U.S. Government or international spending priorities have and could in the future impact our business.

On April 24, 2024, the President signed a foreign aid package that includes \$67 billion in funding for key DoD programs, bringing the DoD funding for GFY 2024 to \$911 billion.

See our U.S. Government funding risks and the discussion of our international business risks within *Part I: Item 1A. Risk Factors* in our Fiscal 2022 2023 Form 10-K.

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Economic Environment

The macroeconomic environment continues to present challenges, evolve, which have impacted our actual results business and may continue to impact our future results. Rising inflation in the U.S. has led to higher input costs. The ongoing uncertainty related to the impacts of inflation, as well as increased interest rates, raise which raises the cost of borrowing for the Federal government.

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To the extent feasible, we continue to proactively deploy operational improvement strategies and have consistently followed the practice of adjusting our prices to reflect the impact of inflation on salaries and fringe benefits for employees and the cost of purchased materials and services. Our fixed-price contracts federal government, could subject us to losses in the event future impact U.S. Government spending priorities for our products. For a discussion of cost overruns or a significant increase inflation-related risks, see *Part I: Item 1A. Risk Factors* in or a sustained period of increased inflation. our Fiscal 2023 Form 10-K.

KEY DEVELOPMENTS

Business Realignment. Effective for fiscal 2023, we adjusted our reporting 2024, to better align our businesses, and transferred our ADG business (representing \$76 million and \$233 million of revenue for the quarter and three quarters ended September 29, 2023, respectively, and \$93 million and \$240 million of revenue for the quarter and three quarters ended September 30, 2022, respectively) from our IMS segment to we adjusted our SAS segment, and IMS segments. See Note A: Basis of Presentation and Summary of Significant Accounting Policies P: Business Segment Information in the Notes for further information.

Acquisition of TDL. On January 3, 2023, we completed the TDL acquisition, which is reported within our CS segment. See Note B: *Acquisitions, Divestitures and Asset Sales* in the Notes for further information regarding the TDL acquisition.

Acquisition of AJRD and New Business Segment. On July 28, 2023 we completed the acquisition of AJRD. Upon completion of the acquisition, we established a new reportable segment, AR. The operations of AJRD are reported in the newly established AR segment and in our corporate segment. The AR segment consists of missile solutions with technologies for strategic defense, missile defense, and hypersonic and tactical systems, as well as space propulsion and power systems for national security space and exploration missions.

RESULTS OF OPERATIONS

Consolidated Results of Operations

(Dollars in millions, except per share amounts)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Revenue from product sales and services:				
SAS	\$ 1,686	\$ 1,593	\$ 5,056	\$ 4,682
IMS	1,568	1,630	5,003	4,897
CS	1,255	1,068	3,707	3,024
AR	455	**	455	**
Corporate eliminations	(49)	(45)	(142)	(119)
Revenue from product sales and services	4,915	4,246	14,079	12,484
Cost of product sales and services	(3,608)	(3,052)	(10,371)	(8,819)
<i>% of total revenue</i>	73 %	72 %	74 %	71 %
Gross margin	1,307	1,194	3,708	3,665
<i>% of total revenue</i>	27 %	28 %	26 %	29 %
Engineering, selling and administrative expenses	(828)	(742)	(2,384)	(2,239)
<i>% of total revenue</i>	17 %	17 %	17 %	18 %
Sale of asset group and business divestiture-related gains, net	—	—	26	8
Impairment of goodwill and other assets	—	(802)	(78)	(802)
Non-operating income, net	80	99	245	313
Interest expense, net	(159)	(70)	(372)	(205)
Income (loss) before income taxes	400	(321)	1,145	740
Income taxes	(18)	20	(73)	(96)
<i>Effective tax rate</i>	4.5 %	6.2 %	6.4 %	13.0 %
Net income (loss)	382	(301)	1,072	644
Noncontrolling interests, net of income taxes	1	1	(3)	2
Net income (loss) attributable to L3Harris Technologies, Inc.	\$ 383	\$ (300)	\$ 1,069	\$ 646
<i>% of total revenue</i>	8 %	7 %	8 %	5 %
Diluted EPS	\$ 2.02	\$ (1.56)	\$ 5.61	\$ 3.33

(Dollars in millions, except per share amounts)	Quarter Ended	
	March 29, 2024	March 31, 2023

Revenue	\$ 5,211	\$ 4,471
Cost of revenue	(3,863)	(3,305)
% of total revenue	74 %	74 %
Gross margin	1,348	1,166
% of total revenue	26 %	26 %
General and administrative expenses	(970)	(773)
% of total revenue	19 %	17 %
Operating Income	378	393
Non-service FAS pension income and other, net	88	82
Interest expense, net	(176)	(102)
Income from before income taxes	290	373
Income taxes	(5)	(34)
Effective tax rate	1.7 %	9.1 %
Net income	285	339
Noncontrolling interests, net of income taxes	(2)	(2)
Net income attributable to L3Harris Technologies, Inc.	\$ 283	\$ 337
% of total revenue	5.4 %	7.5 %
Diluted EPS attributable to L3Harris Technologies, Inc. common shareholders	\$ 1.48	\$ 1.76

Revenue and Gross Margin

Revenue increased 17% for the quarter ended March 29, 2024 compared with the quarter ended March 31, 2023 from the inclusion of \$542 million of revenue from the acquisition of AJRD, which is reported in our AR segment and higher revenue in our CS and SAS segments of \$131 million and \$96 million, respectively, partially offset by decrease in revenue in our IMS segment of \$31 million. See the "Discussion of Business Segment Results of Operations" discussion below in this MD&A for further information.

Gross margin increased, largely due to an increase in revenue volume, and gross margin as a percentage of revenue remained flat for the quarter ended March 29, 2024 compared with the quarter ended March 31, 2023.

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Segment Product and Service Analysis

The following tables present revenue and cost of revenue from products and services by segment.

(In millions)	Quarter Ended March 29, 2024						Total
	SAS	IMS	CS	AR	Eliminations		
Revenue							
Products	\$ 1,210	\$ 1,025	\$ 1,007	\$ 357	\$ —	\$ 3,599	
Services	526	628	273	185	—	1,612	
Intersegment	15	16	14	—	(45)	—	
Total	\$ 1,751	\$ 1,669	\$ 1,294	\$ 542	\$ (45)	\$ 5,211	
Cost of revenue							
Products	\$ 928	\$ 784	\$ 602	\$ 266	\$ 14	\$ 2,594	
Services	423	481	221	144	—	1,269	

Intersegment	15	16	14	—	(45)	—
Total	\$ 1,366	\$ 1,281	\$ 837	\$ 410	\$ (31)	\$ 3,863
Quarter Ended March 31, 2023						
	SAS	IMS	CS	AR	Eliminations	Total
Revenue						
Products	\$ 1,192	\$ 1,047	\$ 926	**	\$ —	\$ 3,165
Services	450	632	224	**	—	1,306
Intersegment	13	21	13	—	(47)	—
Total	\$ 1,655	\$ 1,700	\$ 1,163	\$ —	\$ (47)	\$ 4,471
Cost of revenue						
Products	\$ 898	\$ 789	\$ 560	**	\$ 40	\$ 2,287
Services	375	484	168	**	(9)	1,018
Intersegment	13	21	13	—	(47)	—
Total	\$ 1,286	\$ 1,294	\$ 741	\$ —	\$ (16)	\$ 3,305

** AR is a new reportable segment established during the quarter ended September 29, 2023, which consists of operations of AJRD. As such, there is no comparable prior year information.

Revenue and Gross Margin

One Quarter Comparison. **Products revenue.** Revenue Products revenue increased 16% for the quarter ended September 29, 2023 compared with the quarter ended September 30, 2022 \$434 million, primarily from the inclusion of \$357 million of products revenue from the acquisition AR.

Cost of AJRD, which is reported in our AR segment and higher product revenue. Cost of product revenue in our CS and SAS segments of \$187 million and \$93 million increased \$307 million, respectively, partially offset by decrease in revenue in our IMS segment of \$62 million.

Gross margin increased while gross margin as a percentage of revenue decreased for the quarter ended September 29, 2023 compared with the quarter ended September 30, 2022, largely due to the increases in revenue noted above, partially offset by net change in EAC adjustments and higher mix of lower-margin revenue.

Three Quarters Comparison. Revenue increased 13% for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 primarily from the inclusion of \$266 million of cost of product revenue from AR.

Services revenue. Services revenue increased \$306 million, from the acquisition inclusion of AJRD, which is reported in our \$185 million of services revenue from AR, segment and higher revenue across our CS, as well as increases of \$76 million at SAS and IMS segments \$49 million at CS.

Cost of \$683 million services revenue. Cost of services revenue increased \$251 million, \$374 million primarily from the inclusion of \$144 million of cost of services revenue from AR and \$106 million, increases of \$53 million and \$48 million in costs of services revenue at CS and SAS, respectively.

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Gross margin increased while gross margin as a percentage of revenue decreased for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022, largely due to the increases in revenue noted above, partially offset by net change in EAC adjustments and higher mix of lower-margin revenue.

See the "Discussion of Business Segment Results of Operations" discussion below in this MD&A for further information.

Engineering, Selling General and Administrative Expenses ("G&A")

Engineering, selling and administrative expenses ("ESA") G&A expenses were as follows:

	Quarter Ended	Three Quarters Ended
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(In millions)	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Amortization of acquisition-related intangibles	\$ (185)	\$ (133)	\$ (477)	\$ (400)
Company-sponsored R&D costs ⁽¹⁾	(125)	(151)	(356)	(452)
Merger, acquisition, and divestiture related expenses	(56)	(31)	(144)	(117)
LHX NeXt ⁽²⁾	(33)	—	(68)	—
Charges for severance and other termination costs	—	(29)	—	(29)
Charge related to an additional pre-merger legal contingency	—	(31)	—	(31)
Other ESA expenses ⁽³⁾	(429)	(367)	(1,339)	(1,210)
Total ESA expenses	\$ (828)	\$ (742)	\$ (2,384)	\$ (2,239)

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Amortization of acquisition-related intangibles	\$ (197)	\$ (142)
Company-sponsored R&D costs	(114)	(114)
Merger, acquisition, and divestiture-related expenses	(40)	(50)
LHX NeXt implementation costs ⁽¹⁾	(127)	(13)
Selling and marketing	(113)	(113)
Other G&A expenses ⁽²⁾	(379)	(341)
Total G&A expenses	\$ (970)	\$ (773)

(1) For the quarter and three quarters ended September 29, 2023, includes approximately \$9 million of Company-sponsored R&D costs associated with our new AR segment.

(2) Costs associated with transforming multiple functions, systems and processes to increase agility and competitiveness, including third-party consulting, workforce optimization and incremental IT information technology ("IT") expenses for implementation of new systems.

(3) (2) Other ESA G&A expenses primarily includes include unallocated corporate expense, expenses and segment ESA expense. For the quarter and three quarters ended September 29, 2023, Other ESA includes approximately \$25 million of expenses in our new AR segment and Other ESA expenses in our SAS, IMS and CS segments either decreased or remained consistent as a percentage of the respective segment's revenue compared to the quarter and three quarters ended September 30, 2022. G&A expenses.

Sale of Asset Group and Business Divestiture-Related Gains, net

One Quarter Comparison. There were no sales of asset groups or business divestiture-related gains or losses for the quarter ended September 29, 2023 or the quarter ended September 30, 2022.

Three Quarters Comparison. For the three quarters ended September 29, 2023, the pre-tax gain associated with the divestiture of VIS was \$26 million. For the three quarters ended September 30, 2022, we completed one business divestiture and one asset sale from our IMS segment for a pre-tax gain of \$8 million.

See Note B: Acquisitions, Divestitures and Asset Sales in the Notes for further information.

Impairment of Goodwill and Other Assets

One Quarter Comparison. There were no impairments of goodwill and other assets for the quarter ended September 29, 2023. For the quarter ended September 30, 2022 goodwill March 29, 2024, total G&A expenses increased due to an increase in LHX NeXt implementation costs. LHX NeXt implementation costs included \$64 million related to employee severance charges and \$63 million for third-party consulting expenses, incremental IT expenses for implementation of new systems and other assets includes non-cash impairment charges for goodwill of \$355 million, \$313 million charges. For more detail on our LHX NeXt initiative see the "Operating Environment, Strategic Priorities and \$134 million associated with our Broadband, ADG and Electro Optical reporting units, respectively.

In conjunction with our 2023 business realignment, certain businesses within our ADG reporting unit were aligned with our Electro Optical and SAS reporting units. As such, fiscal 2022 impairment charges related to ADG and Electro Optical of \$367 million and \$80 million, are included Key Performance Measures section in the MD&A in our Electro Optical Fiscal 2023 Form 10-K.

Total G&A expenses were also impacted by increases in amortization of acquisition-related intangibles and SAS reporting units, respectively, an increase in our comparative financial results for the quarter and three quarters ended September 30, 2022.

Three Quarters Comparison. For the three quarters ended September 29, 2023 impairment of goodwill and other assets consisted of the following non-cash charges for impairment of other assets:

	Three Quarters Ended
	September 29, 2023
(In millions)	
Other Assets	
Impairment of customer contracts:	
SAS	\$ 27
IMS	3
Unallocated corporate expense	18
	48
Facility closures:	
IMS	9
Unallocated corporate expense	21
Impairment of other assets	\$ 78

Other G&A expenses as described below.

For the three quarters ended September 30, 2022 goodwill March 29, 2024, the increase in other G&A expenses of \$38 million is attributable to the inclusion of approximately \$42 million of other G&A expenses in our AR segment and an increase of \$5 million in our CS segment, partially offset by decreases of \$11 million and \$11 million in our IMS and SAS segments, respectively. The remaining amount is attributable to an increase in corporate other G&A expenses.

Non-service FAS pension income and other, assets includes non-cash impairment charges for goodwill of \$355 million, \$313 million net

Non-service FAS pension income and \$134 million associated with our Broadband, ADG and Electro Optical reporting units, respectively. As noted above in one quarter comparison discussion, in conjunction with our 2023 business realignment, certain businesses within our ADG reporting unit were aligned with our Electro Optical and SAS reporting units and associated impairment charges have been adjusted accordingly within our comparative financial results for the quarter and three quarters ended September 30, 2022.

Non-Operating Income, Net

Non-operating income, other, net was as follows:

(In millions)	(In millions)	Quarter Ended				Three Quarters Ended		(In millions)	Quarter Ended		
		September		September		September			March 29, 2024		
		29, 2023	30, 2022	29, 2023	30, 2022	29, 2023	30, 2022		29, 2023	30, 2022	
Non-service FAS pension income ⁽¹⁾	Non-service FAS pension income ⁽¹⁾	\$ 78	\$ 111	\$ 232	\$ 332						
Non-service FAS pension income ⁽¹⁾											
Non-service FAS pension income ⁽¹⁾											
Other, net ⁽²⁾	Other, net ⁽²⁾	2	(12)	13	(19)						
Non-operating income, net		\$ 80	\$ 99	\$ 245	\$ 313						
Non-service FAS pension income and other, net											

(1) Includes interest cost, expected return on plan assets, amortization of net actuarial gains gain, and amortization of prior service credit under our pension and postretirement benefit plans. OPEB plan. See Note I: *Pension and Other Postretirement Benefit Plans* H: *Retirement Benefits* in the Notes for more information on the composition of non-service cost components of FAS pension and OPEB income and expense.

(2) Other, net primarily includes changes in the market value of our rabbi trust assets, gains and losses on our equity investments in nonconsolidated affiliates and royalty income.

Interest Expense, Net

One Quarter Comparison. Interest expense, net increased for the quarter ended September 29, 2023 March 29, 2024 compared with the quarter ended September 30, 2022 March 31, 2023 primarily due to interest expense of approximately \$35 million \$44 million on the \$2.25 billion outstanding under our variable rate Term Loan 2025 , a \$28 million AJRD Notes and an increase in interest expense of \$32 million on outstanding notes under the CP Program and interest expense on the AJRD Notes during the quarter ended September 29, 2023.

Three Quarters Comparison. Interest expense, net increased for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 primarily due interest expense of approximately \$100 million on the \$2.25 billion outstanding under our variable rate Term Loan 2025 and a \$38 million increase in interest expense on outstanding notes under the CP Program during the three quarters ended September 29, 2023.

Program. See Note H: G: *Debt and Credit Arrangements* in the Notes for further information.

Income Taxes

During interim periods, we estimate our worldwide forecasted full-year effective tax rate and apply that rate to year-to-date ordinary income in order to compute the year-to-date income tax provision. Although most items will be considered part of the forecasted full-year effective tax rate, there are a number of specific exceptions that are instead required to be recorded in the interim period in which they occur; such as certain changes in uncertain tax positions, the accrual of interest and penalties, changes in tax laws or rates, and other items as prescribed by GAAP. As a result, there may be quarterly fluctuations in our effective tax rate and the results for the interim periods are not necessarily indicative of the results to be expected for the full year or future periods.

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Income Taxes

One Quarter Comparison. Our effective tax rate was 4.5%1.7% for the quarter ended September 29, 2023 March 29, 2024 compared with 6.2%9.1% for the quarter ended September 30, 2022 March 31, 2023. For The effective tax rate for quarter ended March 29, 2024 was lower than the quarter ended September 29, 2023 March 31, 2023 primarily due to additional resolutions of specific audit uncertainties in the quarter ended March 29, 2024, our effective tax rate benefited from the favorable impacts of incremental R&D credits FDII deductions attributable to the recently acquired AJRD and the resolution of specific audit uncertainties. For the quarter ended September 30, 2022, our effective tax rate benefited from the an increase in favorable impact of R&D credits, incremental FDII and the release of a valuation allowance in a foreign jurisdiction resulting from an internal restructuring, partially offset by the unfavorable impact of non-deductible goodwill impairments.

Three Quarters Comparison. Our effective tax rate was 6.4% for the three quarters ended September 29, 2023 compared with 13.0% for the three quarters ended September 30, 2022. For the three quarters ended September 29, 2023, our effective tax rate benefited from the favorable impacts of R&D credits, FDII deductions and the resolution of specific audit uncertainties. For the three quarters ended September 30, 2022, our effective tax rate was favorably impacted by a reduction in the deferred tax liabilities on the outside basis of certain foreign subsidiaries due to an internal restructuring, the favorable impact of excess tax benefits related to equity-based compensation and the items described above in the one quarter comparison compensation. The rates for income taxes, both periods benefited from FDII deductions.

Net Income

One Quarter Comparison and Three Quarters Comparison. The increase decrease in net income for the quarter and three quarters ended September 29, 2023 March 29, 2024 compared with the quarter and three quarters ended September 30, 2022 March 31, 2023 was due to the combined effects of reasons noted in the sections above, primarily increases in LHX NeXt implementation costs, amortization of acquisition-related intangibles and interest expense.

Diluted EPS

Diluted EPS for the quarter and three quarters ended September 29, 2023 increased March 29, 2024 decreased compared with the quarter and three quarters ended September 30, 2022 March 31, 2023 due to higher lower net income and fewer diluted weighted average common shares outstanding, primarily reflecting the repurchases of our common stock under our share repurchase program during the three quarters ended September 29, 2023 and fiscal 2022 share repurchases subsequent to September 30, 2022.

See the "Common Stock Repurchases" discussion below in this MD&A for further information. income.

Discussion of Business Segment Results of Operations

SAS Segment

		Quarter Ended			Quarter Ended			Quarter Ended								
		March 29, 2024												March 29, 2024	March 31, 2023	% Inc/(Dec)
		Quarter Ended			Three Quarters Ended											
		September 29, 2023	September 30, 2022	% Inc/(Dec)	September 29, 2023	September 30, 2022	% Inc/(Dec)									
Revenue	Revenue	\$1,686	\$1,593	6 %	\$5,056	\$4,682	8 %	\$1,751	\$1,655	6 %	Operating	Operating	Operating	16 %	16 %	16 %
Operating income	Operating income	210	92	128 %	565	472	20 %	216	187	16 %	income	income	income	16 %	16 %	16 %
Operating income as a percentage of revenue ("operating margin")	Operating income as a percentage of revenue ("operating margin")	12 %	6 %		11 %	10 %										

* Not meaningful

One Quarter Comparison. The increase in SAS segment revenue for the quarter ended September 29, 2023 March 29, 2024 compared with the quarter ended September 30, 2022 March 31, 2023 was primarily due to higher revenue revenues of \$105 million from program growth in Mission Networks \$59 million and our Space and Intelligence businesses, inclusive of an \$18 million non-recurring license sale \$26 million in Space Systems partially offset by a decline in legacy airborne platform volume and Intel and Cyber, respectively, from program growth.

The increase in SAS segment operating income for the quarter ended September 29, 2023 March 29, 2024 compared with the quarter ended September 30, 2022 March 31, 2023 was primarily due to an \$80 million non-cash charge for impairment from improved program performance and \$12 million of goodwill recorded in our legacy ADG reporting unit during the quarter ended September 30, 2022, in addition to lower R&D and ESA expenses, and net favorable mix program matters in Space Systems primarily due to a non-recurring license sale during the quarter ended September 29, 2023.

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Three Quarters Comparison. The increase in SAS segment revenue for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to higher revenue of \$367 million from program growth in Mission Networks and our Space and Intelligence businesses, inclusive of an \$18 million non-recurring license sale in Space Systems and \$68 million in Mission Avionics from an increase in production revenues. Such increases were partially offset by a decline in legacy airborne platform volume.

The increase in SAS segment operating income for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to an \$80 million non-cash charge for impairment of goodwill recorded in our legacy ADG reporting unit during the three quarters ended September 30, 2022, in addition to lower R&D and ESA expenses and favorable mix in Space Systems due to a non-recurring license sale, partially offset by a \$27 million non-cash impairment of other assets related to restructuring of a customer contract during the three quarters ended September 29, 2023 and program execution. Systems.

IMS Segment

(Dollars in millions)	Quarter Ended			Three Quarters Ended		
	September 29, 2023	September 30, 2022	% Inc/(Dec)	September 29, 2023	September 30, 2022	% Inc/(Dec)

Revenue	\$ 1,568	\$ 1,630	(4)%	\$ 5,003	\$ 4,897	2 %
Operating income (loss)	187	(143)	*	534	315	70 %
Operating margin	12 %	(9)%		11 %	6 %	

(Dollars in millions)	Quarter Ended		
			% Inc/(Dec)
	March 29, 2024	March 31, 2023	
Revenue	\$ 1,669	\$ 1,700	(2)%
Operating income	190	185	3 %
Operating margin	11.4 %	10.9 %	

* Not meaningful

One Quarter Comparison. The decrease in IMS segment revenue for the quarter ended September 29, 2023 March 29, 2024 compared with the quarter ended September 30, 2022 March 31, 2023 was primarily due to lower revenues of \$102 million \$22 million in ISR and GOS from timing of aircraft missionization programs, including aircraft procurement in ISR. Revenue was also impacted by lower revenue partially offset by higher revenues of \$24 million in Electro Optical from product volumes and \$22 million in Maritime from classified program revenue timing on domestic programs.

The increase in IMS segment operating income for the quarter ended September 29, 2023 March 29, 2024 compared with the quarter ended September 30, 2022 March 31, 2023 was primarily due to a \$367 million non-cash charge for impairment of goodwill recorded improved program performance and favorable mix in Electro Optical and the sale of end-of-life inventory in Commercial Aviation Systems during the quarter ended September 30, 2022, partially offset by a net change in EAC adjustments, principally in ISR, and Maritime.

Three Quarters Comparison. The increase in IMS segment revenue for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to revenues of \$86 million in Electro Optical from higher volume in space and sensors, \$44 million in Commercial Aviation Solutions from volume and \$38 million in Maritime largely from volume in power and energy solutions and classified programs. Such increases were partially offset by lower revenue of \$25 million product volumes in ISR from unfavorable program execution partially offset by growth in domestic aircraft missionization.

The increase in IMS segment operating income for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to a \$367 million non-cash charge for impairment of goodwill recorded in Electro Optical and the sale of end-of-life inventory in Commercial Aviation Systems during the three quarters ended September 30, 2022, partially offset by a net change in EAC adjustments, principally in ISR and Maritime, and a \$12 million non-cash impairment of other assets related to facility closures and restructuring of a customer contract during the three quarters ended September 29, 2023. GOS.

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CS Segment

(Dollars in millions)	(Dollars in millions)	Quarter Ended			Three Quarters Ended			(Dollars in millions)	Quarter Ended		
		September 29, 2023	September 30, 2022	% Inc/(Dec)	September 29, 2023	September 30, 2022	% Inc/(Dec)		March 29, 2024	March 31, 2023	% Inc/(Dec)
Revenue	Revenue	\$ 1,255	\$ 1,068	18 %	\$ 3,707	\$ 3,024	23 %				
Operating income (loss)		282	(97)	*	873	370	*				
Revenue									\$ 1,294	\$ 1,163	11 %
Revenue											
Operating income								Operating income			
									310	266	17 %
Operating margin	Operating margin	22 %	(9)%		24 %	12 %					

* Not meaningful

One Quarter Comparison. The increase in CS segment revenue for the quarter ended **September 29, 2023** **March 29, 2024** compared with the quarter ended **September 30, 2022** **March 31, 2023** was primarily due to higher revenue of **\$121 million** **\$51 million** in Tactical Communications associated with an increase in DoD sales, **\$47 million** in Integrated Vision Solutions from higher volumes and improved program performance and **\$34 million** in Broadband Communications driven by the acquisition of TDL and from higher volume and **\$50 million** in Tactical Communications from increased demand and improved electronic component availability.

The increase in CS segment operating income for the quarter ended **September 29, 2023** **March 29, 2024** compared with the quarter ended **September 30, 2022** **March 31, 2023** was primarily due to higher volumes and improved program performance in Integrated Vision Solutions, partially offset by the unfavorable mix of higher DoD sales in Tactical Communications.

AR Segment

(Dollars in millions)	Quarter Ended		
	March 29, 2024	March 31, 2023	% Inc/(Dec)
Revenue	\$ 542	**	*
Operating income	72	**	*
Operating margin	13.3 %	**	

** AR is a \$355 million non-cash charge for impairment of goodwill recorded in our Broadband reporting unit during the quarter ended September 30, 2022, in addition to higher volume, including from the TDL acquisition, reportable segment established during the quarter ended September 29, 2023, partially offset by unfavorable product mix, which consists of operations of AJRD. As such, there is no comparable prior year information.

Three Quarters Comparison. The increase in CS segment revenue for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to higher revenue of \$342 million in Broadband Communications from the acquisition of TDL and higher volume on legacy platforms and \$311 million in Tactical Communications and \$72 million in Public Safety, both from increased demand and improved electronic component availability.* Not meaningful

The increase in CS segment operating income for the three quarters ended September 29, 2023 compared with the three quarters ended September 30, 2022 was primarily due to a \$355 million non-cash charge for impairment of goodwill recorded in our Broadband reporting unit during the three quarters ended September 30, 2022 in addition to higher volume, including from the TDL acquisition, and favorable mix in Tactical Communications during the three quarters ended September 29, 2023.

AR Segment

(Dollars in millions)	Quarter Ended		Three Quarters Ended	
	September 29, 2023	September 29, 2023	September 29, 2023	September 29, 2023
Revenue	\$ 455	\$ 455		
Operating income	56	56		
Operating margin	12 %	12 %		

Results were driven by program performance across both the strategic acquisition of AJRD from Missile Solutions and Space Propulsion and Power Systems sectors in the July 28, 2023 acquisition date through September 29, 2023 quarter ended March 29, 2024.

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Operating income was impacted by cost synergies recognized in the quarter ended March 29, 2024.

Unallocated Corporate Expenses

(Dollars in millions)	Quarter Ended			
	March 29, 2024	March 31, 2023	September 29, 2023	September 30, 2022
Total unallocated corporate expenses	\$ (410)	\$ (245)		
(Dollars in millions)	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Unallocated corporate department (expense) income, net ⁽¹⁾	\$ 14	\$ 18	\$ (27)	\$ 33
Amortization of acquisition-related intangibles ⁽²⁾	(208)	(151)	(546)	(454)
Additional cost of sales related to the fair value step-up in inventory sold	—	—	(30)	—

Merger, acquisition, and divestiture related expenses	(56)	(31)	(144)	(117)
Sale of asset group and business divestiture-related gains, net	—	—	26	8
Impairment of goodwill and other assets ⁽³⁾	—	—	(39)	—
LHX NeXt ⁽⁴⁾	(33)	—	(68)	—
Charges for severance and other termination costs	—	(29)	—	(29)
Charge related to an additional pre-merger legal contingency	—	(31)	—	(31)
FAS/CAS operating adjustment ⁽⁵⁾	27	22	72	65
Total unallocated items	\$ (256)	\$ (202)	\$ (756)	\$ (525)

(1) Includes certain corporate-level Total unallocated corporate expenses that are include the portion of corporate costs not included in management's evaluation of any segment's segment operating performance.

(2) Includes Unallocated corporate expenses increased \$165 million in the quarter ended March 29, 2024 compared with the quarter ended March 31, 2023, primarily due to an increase of \$114 million from LHX NeXt implementation costs, as discussed in the "Results of Operations" section of this MD&A under the "General and Administrative Expenses" heading, and an increase of \$52 million in amortization of identifiable intangible assets acquired in connection with business combinations. Because our acquisitions benefited the entire Company, the amortization of identifiable intangible assets acquired was not allocated to any segment, acquisition-related intangibles.

(3) For the three quarters ended September 29, 2023, includes a \$21 million non-cash charge for impairment of intangible assets related to the closure of a facility and an \$18 million charge related to an impairment of a customer contract. See Note G: *Goodwill and Other Intangible Assets* in these Notes for additional information regarding impairment of intangible assets.

(4) Costs associated with transforming multiple functions, systems and processes to increase agility and competitiveness, including third-party consulting, workforce optimization and incremental IT expenses for implementation of new systems.

(5) Represents the difference between the service cost component of FAS pension and OPEB cost and total CAS pension and OPEB cost and replaces the "Pension adjustment" line item previously presented, which included the non-service components of FAS pension and OPEB income. See Note O: *Business Segment Information* in the Notes for additional information regarding the FAS/CAS operating adjustment.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL STRATEGIES

Cash Flows

(In millions)	Three Quarters Ended	
	September 29, 2023	September 30, 2022
Cash and cash equivalents, beginning of period	\$ 880	\$ 941
Operating Activities:		
Net income	1,072	644
Non-cash adjustments	621	993
Changes in working capital	(94)	(382)
Other, net	(292)	121
Net cash provided by operating activities	1,307	1,376
Net cash used in investing activities	(6,938)	(188)
Net cash provided by (used in) financing activities	5,254	(1,566)
Effect of exchange rate changes on cash and cash equivalents	(4)	(34)
Net decrease in cash and cash equivalents	(381)	(412)
Cash and cash equivalents, end of period	\$ 499	\$ 529

(In millions)	Quarter Ended	
	March 29, 2024	March 31, 2023
Cash and cash equivalents, beginning of period	\$ 560	\$ 880
Operating Activities:		
Net income	285	339

Non-cash adjustments	233	144
Changes in working capital	(497)	(120)
Other, net	(125)	(13)
Net cash (used in) provided by operating activities	(104)	350
Net cash used in investing activities	(116)	(2,048)
Net cash provided by financing activities	144	1,361
Effect of exchange rate changes on cash and cash equivalents	(7)	2
Net decrease in cash and cash equivalents	(83)	(335)
Cash and cash equivalents, end of period	\$ 477	\$ 545

Net cash (used in) provided by operating activities

The \$69 million decrease \$104 million net cash used in operating activities in the quarter ended March 29, 2024 compared with \$350 million net cash provided by operating activities in the three quarters quarter ended September 29, 2023 compared with the three quarters ended September 30, 2022 March 31, 2023 was primarily due to increases in payments of income taxes, payroll related taxes and interest for Term Loan 2025, the CP Program and AJRD Notes, partially

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offset by less \$377 million more cash used to fund net working capital (i.e., receivables, contract assets, inventories, accounts payable and contract liabilities), primarily due to timing, and a \$128 million increase in payments of interest on outstanding variable and fixed-rate debt, partially offset by an increase in net income excluding the impact of non-cash adjustments.

Net cash used in investing activities

The \$6.8 billion increase \$1,932 million decrease in net cash used in investing activities in the three quarters quarter ended September 29, 2023 March 29, 2024 compared with the three quarters quarter ended September 30, 2022 March 31, 2023 was primarily due to the \$6.7 billion \$1,973 million cash used for the acquisitions of TDL and AJRD Viasat, Inc.'s Tactical Data Links in the first and third quarters quarter of fiscal 2023, respectively, 2023.

Net cash provided by (used in) financing activities

The \$6.8 billion increase \$1,217 million decrease in net cash provided by financing activities in the three quarters quarter ended September 29, 2023 March 29, 2024 compared with the three quarters quarter ended September 30, 2022 March 31, 2023 was primarily due to the issuance and sale of \$3.25 billion aggregate principal amount of new AJRD Notes, \$2.25 billion in proceeds from repayments of borrowings on our Term Loan 2025, for which \$2.0 billion was utilized for the TDL acquisition, \$2.0 billion in partially offset by \$601 million of net proceeds from issuances of commercial paper and the \$382 million a decrease in cash used to repurchase our common stock under our share repurchase program. Such amounts were partially offset by an increase in repayments program of borrowings, including the \$800 million aggregate principal amount of our 3.85% 2023 Notes and the \$250 million aggregate principal amount of our Floating 2023 Notes.

\$163 million. See Note H: G: Debt and Credit Arrangements in the Notes for further information.

Cash and cash equivalents

At September 29, 2023 March 29, 2024, we had cash and cash equivalents of \$499 million \$477 million, which includes \$294 \$268 million held by our foreign subsidiaries, a significant portion of which we believe can be repatriated to the U.S. with minimal tax cost.

Capital Structure and Resources

Described below are significant changes to our credit arrangements and debt during the three quarters quarter ended September 29, 2023 March 29, 2024.

Credit Arrangements and CP Program

Credit Agreements. On July 28, 2023 January 26, 2024, we borrowed \$2.1 billion under replaced the 2023 Credit Agreement and used with the proceeds together with proceeds from the AJRD Notes issued during the quarter ended September 29, 2023 to fund the acquisition of AJRD and to pay related fees and expenses. All borrowings under the 2023 2024 Credit Agreement were repaid with proceeds of commercial paper issued during the quarter ended September 29, 2023. At September 29, 2023 March 29, 2024, we had no outstanding borrowings under either our 2024 Credit Agreement or our 2022 Credit Agreement, had available borrowing capacity of \$1.3 billion, net of outstanding CP Program borrowings, and were in compliance with all covenants under our 2023 Credit Agreement, both aforementioned credit agreements.

Additionally, at September 29, 2023, we had no outstanding borrowings and were in compliance with all covenants under the \$2.0 billion 2022 Credit Agreement.

Commercial Paper Programs. On March 14, 2023, we established Under the CP Program, which is supported by amounts unused we may issue unsecured commercial paper notes up to a maximum aggregate amount of \$3.0 billion. Subject to notice and certain other requirements of the CP Program, we may increase the aggregate amount available under the 2022 Credit Agreement and the 2023 Credit Agreement, for issuance up to \$3.5 billion. From time to time, we use borrowings under the CP Program for general corporate purposes, including the funding of acquisitions, debt refinancing, dividend payments and repurchases of our common stock.

During the quarter ended September 29, 2023 March 29, 2024, we had a maximum outstanding balance of \$3.0 billion \$2.7 billion and a daily average outstanding balance of \$2.3 billion under our CP program, which we primarily used to repay \$2.1 billion outstanding under the 2023 Credit Agreement, a portion of which was repaid with cash on hand during the quarter ended September 29, 2023.

Amounts outstanding under the CP Program at September 29, 2023 and the daily average balance and weighted average yield during the quarter ended September 29, 2023 were as follows:

(In millions, except weighted average yield)	September 29, 2023	
	Outstanding	Daily Average
CP Program	\$ 2,030	\$ 2,101
Weighted Average Yield	5.50 %	5.60 %

We terminated our prior existing \$1.0 billion commercial paper program during the three quarters ended September 29, 2023.

Program. We expect balances under the CP Program to remain elevated as compared to historical norms through fiscal 2025.

For further information about our Credit Agreements and CP Program, see Note H: G: Debt and Credit Arrangements in the Notes.

Debt

At September 29, 2023 March 29, 2024, we had \$11.5 billion of outstanding long-term debt, net, including the current portion of long-term debt, net and financing lease obligations, the majority of which we incurred in connection with merger and acquisition activity.

Long-Term Debt Issued. Refinancing. During the three quarters quarter ended September 29, 2023 March 29, 2024, we drew closed the issuance and sale of \$2.25 billion in long-term debt on Term Loan 2025 and issued the AJRD Notes in an aggregate principal amount of \$3.25 billion, the 2024 Notes. These notes were used to repay the entire outstanding \$2.25 billion drawn on Term Loan 2025. For further information about the new debt issued, See Note H: Debt and Credit Arrangements in the Notes.

Long-Term Debt Repayments. On March 14, 2023, we repaid the entire outstanding \$250 million aggregate principal amount of our Floating 2023 Notes through a \$250 million draw on Term Loan 2025. On June 15, 2023, we repaid the entire outstanding \$800 million aggregate principal amount of our 3.85% 2023 Notes through cash on hand and the issuance of commercial paper. The commercial paper issued to fund repayment of the 3.85% 2023 Notes was repaid during the quarter ended September 29, 2023.

For a description of our long-term debt, see Note H: G: Debt and Credit Arrangements in the Notes and Note 13: 8: Debt and Credit Arrangements in our Fiscal 2022 2023 Form 10-K.

Liquidity Assessment

Given our current cash position, outlook for funds generated from operations, credit ratings, available credit facilities, cash needs and debt structure, we have not experienced to date, and do not expect to experience, any material issues with liquidity for the next 12 twelve months and in the longer term, although, we can give no assurances concerning our future liquidity, particularly in light of our overall level of debt, U.S. Government budget uncertainties and the state of global commerce and general political and global financial uncertainty. Additionally, provisions in the Tax Cuts and Jobs Act of 2017 required that, beginning in 2022, R&D expenditures be capitalized and amortized over five years. In the future, Congress may consider legislation that would defer the amortization requirement to later

years, possibly with retroactive effect. The impact of this tax law on our cash from operations depends on the amount of R&D expenditures incurred and whether the Internal Revenue Service issues guidance on the provision which differs from our current interpretation, among other things. **debt**. See *Part I: Item 1A. Risk Factors* in our Fiscal **2022** **2023** Form 10-K and *Part II. Item 1A. Risk Factors* of this Report **10-K**.

Based on our current business plan and revenue prospects, we believe that our existing cash, funds generated from operations, availability under our senior unsecured credit facilities and our CP Program and access to the public and private debt and equity markets will be sufficient to provide for our anticipated working capital requirements, capital expenditures **dividend payments, repurchases under our share repurchase program and repayments of our debt securities at maturity** for the next twelve months and the reasonably foreseeable future thereafter. Our total additions of property, plant and equipment net of proceeds from the sale of property, plant and equipment for fiscal **2023** **2024** are expected to be approximately **\$330 million. 2% of revenue**. Other than operating expenses, cash **requirements uses** for fiscal **2023** **2024** are expected to consist primarily of additions of property, plant and equipment, **dividend payments, debt repayments, LHX NeXt implementation costs and dividend payments, repurchases under our share repurchase program**. See "Capital Structure and Resources" and "Commercial Commitments" in *Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Fiscal **2022** **2023** Form 10-K for further information regarding our cash requirements.

Funding of Pension Plans

Funding requirements under applicable laws and regulations are a major consideration in making contributions to our U.S. pension plans. Although we have significant discretion in making voluntary contributions, the Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act of 2006 and further amended by the Worker, Retiree, and Employer Recovery Act of 2008, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") and applicable Internal Revenue Code regulations, mandate minimum funding thresholds. The Highway and Transportation Funding Act of 2014, the Bipartisan Budget Act of 2015, the American Rescue Plan Act of 2021 and the Infrastructure Investment and Jobs Act further extended the interest rate stabilization provision of MAP-21. Failure to satisfy the minimum funding thresholds could result in restrictions on our ability to amend the plans or make benefit payments. With respect to our U.S. qualified defined benefit pension plans, we intend to contribute annually no less than the required minimum funding thresholds. As a result of prior voluntary contributions and plan performance, except as it relates to pension plans acquired with AJRD, we are **We do not required expect to make any material contributions to our U.S. qualified defined benefit pension these plans in fiscal 2023 or for several years thereafter. As of September 29, 2023, we are still evaluating the impact of the acquisition of AJRD and their pension plans on future contributions. 2024.**

Future required contributions primarily will depend on the actual annual return on assets and the discount rate used to measure the benefit obligation at the end of each year and our evaluation of the impact of the acquisition of AJRD. **year**. Depending on these factors, and the resulting funded status of our pension plans, the level of future statutory required minimum contributions could be material. We had net **unfunded defined benefit plan obligations assets of \$109 million** **\$135 million** as of **September 29, 2023** **March 29, 2024**. See Note **14: Pension and Other Postretirement Benefits** in our Fiscal **2022** **2023** Form 10-K and Note **I: Pension and Other Postretirement Benefit Plans H: Retirement Benefits** in the Notes for further information regarding our pension plans.

Common Stock Repurchases

During the three quarters quarter ended **September 29, 2023** **March 29, 2024**, we used **\$518 million** **\$233 million** to repurchase **2.5 million** **1.1 million** shares of our common stock under our share repurchase program at an average price per share of **\$204.40** **\$213.33**, including commissions of \$0.02 per share. During the three quarters quarter ended **September 29, 2023** **March 29, 2024**, **\$28 million** **\$20 million** in shares of our common stock were delivered to us or withheld by us to satisfy withholding taxes on employee share-based awards. Shares repurchased by us are cancelled and retired.

Our repurchase program does not have a stated expiration date and authorizes us to repurchase shares of our common stock through open market purchases, private transactions, transactions structured through investment banking institutions or any combination thereof. At **September** **March 29, 2023** **2024**, we had a remaining unused authorization under our repurchase program of **\$3.9** **\$3.7** billion. We have announced that share repurchases will be moderated. See **Liquidity, Capital Resources and Financial Strategies** in the near-term, but the level our Fiscal 2023 Form 10-K and timing of our repurchases depends on a number of factors, including our financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors our Board of Directors or management may deem relevant. The timing, volume and nature of repurchases are also subject to market conditions, applicable securities laws and other factors and are at our discretion and may be suspended or discontinued at any time. Additional information regarding our repurchase program is in *Part II. Item 2. Unregistered Sales of Equity Securities and Use of Proceeds* of this Report for further information regarding common stock repurchases.

Dividends

On February 24, 2023 February 23, 2024, we announced that our Board of Directors ("Board") increased the quarterly per share cash dividend rate on our common stock from \$1.12 \$1.14 to \$1.14 \$1.16, commencing with the dividend declared by our Board of Directors for the first quarter of fiscal 2023, 2024, for an annualized per share cash dividend rate of \$4.56, which was our twenty-second consecutive annual increase \$4.64. See item 5. Market for registrant's common equity, related stockholder matters and issuer repurchases of equity securities in our quarterly cash dividend rate. Quarterly cash dividends are typically paid in March, June, September and December. We paid \$652 million in cash dividends during the three quarters ended September 29, 2023. We currently expect to continue paying and increasing the rates of cash dividends in the near future, but we can give no assurances concerning payment of future dividends or future dividend increases. The annual declaration of dividends by Fiscal 2023 Form 10-K for further information regarding our Board of Directors and the amount thereof will depend on a number of factors, including our financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors our Board of Directors may deem relevant.

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dividends.

Material Cash Requirements and Commercial Commitments

The amounts disclosed in our Fiscal 2022 2023 Form 10-K include our material cash requirements and commercial commitments. Except for the \$3.25 billion aggregate principal amount of new long-term fixed-rate debt under the AJRD Notes, \$2.25 billion in borrowings under Term Loan 2025, the level of indebtedness under our CP Program and the establishment of our 2023 new 2024 Credit Facility, and certain arrangements with off-balance sheet risk, such as guarantees to U.S. government agencies for environmental remediation activities, acquired with the acquisition of AJRD, compared to amounts disclosed in our Fiscal 2022 Form 10-K, there were no material changes to our material cash requirements from contractual cash obligations to repay debt, to purchase goods and services or to make payments under operating leases or our commercial commitments; or in our contingent liabilities on outstanding surety bonds, standby letters of credit agreements or other arrangements with financial institutions and customers primarily relating to the guarantee of future performance on certain contracts to provide products and services to customers or to obtain insurance policies with our insurance carriers as disclosed in our Fiscal 2022 2023 Form 10-K. Further information about our Credit Agreements and CP Program can be found in "Capital Structure and Resources" in this MD&A and Note H, G: Debt and Credit Arrangements in the Notes.

There can be no assurance that our business will continue to generate cash flows at current or expected levels or that the cost or availability of future borrowings, if any, under our CP Program, credit facilities, term loan or in the debt markets will not be impacted by any potential future credit or capital markets disruptions. If we are unable to maintain cash balances, generate cash flow from operations, borrow under our CP Program or borrow increase the aggregate amount available under our CP Program, our credit facilities or term loan sufficient to service our obligations, we may be required to reduce capital expenditures, reduce or eliminate strategic acquisitions, reduce or terminate our share repurchases, reduce or eliminate dividends, refinance all or a portion of our existing debt, obtain additional financing or sell assets. Our ability to make principal payments or pay interest on or refinance our indebtedness depends on our future performance and financial results, which, to a certain extent, are subject to general conditions affecting the defense, government and other markets we serve and to general economic, political, financial, competitive, legislative and regulatory factors beyond our control.

CRITICAL ACCOUNTING ESTIMATES

There have been no material changes to the critical accounting estimates disclosed in "Critical Accounting Estimates" in Part II: Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Fiscal 2022 2023 Form 10-K, except, as set forth below.

Goodwill

We test our goodwill for impairment annually as of the first day of our fourth fiscal quarter, or under certain circumstances, more frequently, such as when events or circumstances indicate there may be impairment or when we reorganize our reporting structure such that the composition of one or more of our reporting units is affected.

Fiscal 2023 2024 Impairment Tests. Effective December 31, 2022, we adjusted our reporting in fiscal 2024, to better align our businesses, and transferred our ADG business (a reporting unit) from we adjusted our IMS segment to by realigning our SAS segment (also a reporting unit). In connection with the realignment, we reduced our EO and Maritime sectors, which are also reporting units, from nine splitting EO into two sectors, GOS and DE, and moving one EO business to eight as the ADG Maritime sector. GOS and DE represent one reporting unit and all \$327 million of associated goodwill was absorbed by our existing SAS reporting unit given the economic similarities of the two reporting units. unit. Immediately before the realignment, we performed a qualitative impairment assessment over our SAS reporting unit and a quantitative impairment assessment over our ADG reporting unit. Immediately after the realignment, we performed a quantitative impairment assessment over the SAS reporting unit. We prepared estimates of the fair value of under our pre-realignment ADG former and new reporting unit and post-realignment SAS reporting unit based on a combination of market-based valuation techniques, utilizing quoted market prices, comparable publicly reported transactions and an income-based valuation technique using projected discounted cash flows. structure. These assessments indicated no impairment existed either before or after the realignment.

TDL Acquisition Goodwill. In connection with the January 3, 2023 acquisition of TDL, we recorded \$1,117 million of goodwill in our Broadband reporting unit within our CS segment.

AJRD Acquisition Goodwill. In connection with the July 28, 2023 acquisition of AJRD, we recorded \$2,348 million of goodwill in our AR segment, which is also the AR reporting unit.

See Note B: *Acquisitions, Divestitures and Asset Sales* and Note G: *Goodwill and Other Intangible Assets* in the Notes for additional information.

Business Combinations

We follow the acquisition method of accounting to record identifiable assets acquired, liabilities assumed and noncontrolling interests recognized in connection with acquired businesses at their estimated fair value as of the date of acquisition.

Identifiable intangible assets from business combinations are recognized at their estimated fair values as of the date of acquisition and consist of customer relationships, developed technology and trade names. Determination of the estimated fair value of identifiable intangible assets requires judgment. The fair value of intangible assets is estimated using the relief from royalty method for the acquired developed technology and trade names and the multi-period excess earnings method for the acquired customer relationships. Both of these fair value methods are income-based valuation approaches, which require judgment to estimate appropriate discount rates, royalty rates related to the developed technology and trade name intangible assets, revenue growth attributable to the intangible assets and remaining useful lives. Finite-lived identifiable intangible assets are amortized to expense over their useful lives, generally ranging from two to twenty seven years. The fair value of identifiable intangible assets acquired in connection with the TDL and AJRD acquisitions was \$755 million and \$2.860 billion, respectively.

See Note B: *Acquisitions, Divestitures and Asset Sales* and Note G: *E: Goodwill and Other Intangible Assets* in the Notes for additional more information.

Impact of Recently Issued Accounting Pronouncements

See Note A: *Basis of Presentation and Summary of Significant Accounting Policies* in the Notes for There have been no new accounting pronouncements that which became effective during fiscal 2023 quarter ended March 29, 2024 that have had a material impact on our Condensed Consolidated Financial Statements.

FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS

This Report contains forward-looking statements that involve risks and uncertainties, as well as assumptions that may not materialize or prove correct, which could cause our results to differ materially from those expressed in or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, statements concerning: our plans, strategies and objectives for future operations; new products, systems, technologies, services or developments; future economic conditions, performance or outlook; future political conditions; the outcome of contingencies or litigation; environmental remediation cost estimates; the potential level of share repurchases, dividends or pension contributions; potential acquisitions or divestitures; divestitures and the timing thereof; the integration of our acquisitions; the value of contract awards and programs; expected revenue; expected cash flows or capital expenditures; our beliefs or expectations; activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future; and assumptions underlying any of the foregoing. Forward-looking statements may be identified by their use of forward-looking terminology, such as "believes," "expects," "may," "could," "should," "would," "will," "intends," "plans," "estimates," "anticipates," "projects" and similar words or expressions. You should not place undue reliance on these forward-looking statements, which reflect our management's opinions only as of the date of filing of this Report and are not guarantees of future performance or actual results. Factors that might cause our results to differ materially from those expressed in or implied by these forward-looking statements, from our current expectations or projections or from our historical results include, but are not limited to, those discussed in *Part I: Item 1A. Risk Factors* in our Fiscal 2022/2023 Form 10-K and in *Part II. Item 1A. Risk Factors* of this Report. All forward-looking statements are qualified by, and should be read in conjunction with, those risk factors. Forward-looking statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and are made as of the date of filing of this Report, and we disclaim any intention or obligation, other than imposed by law, to update or revise

any forward-looking statements, whether as a result of new information, future events or developments or otherwise, after the date of filing of this Report or, in the case of any document incorporated by reference, the date of that document.

The following are some of the factors we believe could cause our actual results to differ materially from our historical results or our current expectations or projections. Other factors besides those listed here also could adversely affect us. See *Part I: Item 1A. Risk Factors* in our Fiscal 2022/2023 Form 10-K and *Part II: Item 1A. Risk Factors* of this Report for more information regarding factors that might cause our results to differ materially from those expressed in or implied by the forward-looking statements contained in this Report.

- We depend on winning business in competitive markets from U.S. Government customers for a significant portion of our revenue, and a revenue.
- A reduction in U.S. Government funding or a change in U.S. Government spending priorities could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.

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- Our results of operations and cash flows are substantially affected by our mix of fixed-price, cost-plus and time-and-material type contracts. In particular, our fixed-price contracts, particularly those for development programs, could subject us to losses in the event of cost overruns or a significant increase in or sustained period of increased inflation.
- We depend significantly on U.S. Government contracts, which often generally are only partially funded, subject to immediate termination and heavily regulated and audited. The termination application or failure to fund, impact of regulations, unilateral government action, termination or negative audit findings for one or more of these contracts could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.
- The U.S. Government's budget deficit and the national debt, as well as a breach of the debt ceiling, could have an adverse impact on our business, financial condition, results of operations, cash flows and equity.
- We participate in markets that are often subject to uncertain economic conditions, which makes it difficult to estimate growth in our markets and, as a result, future income and expenditures.
- We cannot predict the consequences of future geo-political events, but they may adversely affect the markets in which we operate, our ability to insure against risks, our operations or our profitability.
- We are subject to government investigations, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.
- We derive a significant portion of our revenue from international operations and are subject to the risks of doing business internationally.
- Disputes with We depend on our subcontractors and suppliers to provide materials, components, subsystems and services for many of our products and services, and failures in or key suppliers, or their inability disruptions to perform or timely deliver our components, parts or services, supply chain could cause our products and/or services to be produced or delivered in an untimely or unsatisfactory manner.
- We must attract and retain key employees, and any failure to do so could seriously harm us.

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- We could be negatively impacted by a security breach, through cyber-attack, cyber intrusion, insider threats or otherwise, or other significant disruption of our information technology IT networks and related systems or of those we operate for certain of our customers.
- Our future success will depend on our ability to develop new products and services and technologies that achieve market acceptance in our current and future markets.
- We have significant operations in locations that could be materially and adversely impacted in the event of a natural disaster or other significant disruption.
- Changes With our acquisition of AJRD, there is risk of the release, unplanned ignition, explosion, or improper handling of dangerous materials used in estimates we use in accounting for many our business, which could disrupt our operations and adversely affect our financial results.
- Failure to achieve the expected results of our programs LHX NeXt could adversely affect our future financial condition and results of operations.
- Our level of indebtedness and our ability to make payments on or service our indebtedness and our unfunded defined benefit plans' liability may materially adversely affect our financial and operating activities or our ability to incur additional debt.
- A downgrade in our credit ratings could materially adversely affect our business.
- Market conditions or volatility could impact our business, financial condition, results of operations and cash flows.

- The level of returns on defined benefit plan assets, changes in interest rates and other factors could materially adversely affect our financial condition, results of operations, cash flows and equity in future periods.
- Changes in our effective tax rate or additional tax exposures may have an adverse effect on our results of operations and cash flows.
- We may not be successful in obtaining the necessary export licenses to conduct certain operations abroad, and Congress may prevent proposed sales to certain foreign governments.
- Unforeseen environmental issues, including regulations related to GHG greenhouse gas emissions or change in customer sentiment related to environmental sustainability, could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.
- Our reputation and ability to do business may be impacted by the improper conduct of our employees, agents or business partners.
- The outcome of litigation or arbitration in which we are involved from time to time is unpredictable, and an adverse decision in any such matter could have a material adverse effect on our financial condition, results of operations, cash flows and equity.
- Third parties have claimed in the past, and may claim in the future, that we are infringing directly or indirectly upon their intellectual property rights, and third parties may infringe upon our intellectual property rights.
- We face certain significant risk exposures and potential liabilities that may not be covered adequately by insurance or indemnity.
- Challenges arising from the expanded operations from related to the acquisition of TDL and AJRD may affect our future results.

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- With our acquisition of AJRD, there is increased risk of the release, unplanned ignition, explosion, or improper handling of dangerous materials used in our business, which could disrupt our operations and adversely affect our financial results.
- The real estate assets acquired as part of our acquisition of AJRD are subject to various risks due to environmental liabilities, regulatory exposure and vulnerability to changes to the real estate market, any of which could adversely affect the value of such assets or our financial results.
- Strategic transactions, including mergers, acquisitions and divestitures, involve significant risks and uncertainties that could adversely affect our business, financial condition, results of operations, cash flows and equity.
- Changes in future business or other market conditions could cause business investments and/or recorded goodwill or other long-term intangible assets to become impaired, resulting in substantial losses and write-downs that would materially adversely affect our results of operations and financial condition.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

In the normal course of business, we are exposed to the risks associated with foreign currency exchange rates and changes in interest rates and market return fluctuations on our defined benefit plans. Other than the changes in our commercial paper and debt balances refinanced as discussed in the Liquidity and Capital Resources section of *Part I: Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations* above, there were no material changes during the three quarters ended September 29, 2023 March 29, 2024, with respect to the information appearing in *Part II: Item 7A. Quantitative and Qualitative Disclosures About Market Risk* in our Fiscal 2022 2023 Form 10-K.

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ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. Our disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate to allow timely decisions regarding required disclosures. As required by Rule 13a-15 under the Exchange Act, as of September 29, 2023 March 29, 2024, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our management, including our CEO and our CFO. Based on this work and other evaluation

procedures, our management, including our CEO and CFO, and have has concluded that as of September 29, 2023 March 29, 2024, our disclosure controls and procedures were effective.

Changes in Internal Control

We periodically review our internal control over financial reporting ("ICFR") as part of our efforts to ensure compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. In addition, we routinely review our system of ICFR to identify potential changes to our processes and systems that may improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment.

The TDL acquisition is being integrated. We completed our integration of the Tactical Data Links product line into the existing CS segment systems and processes from an ICFR perspective. Further, as perspective during the quarter ended March 29, 2024. As part of our acquisition of AJRD, we are in the process of incorporating our controls and procedures with respect to AJRD's operations, and we will include internal controls with respect to AJRD's operations in our assessment of the effectiveness of our ICFR as of the end of fiscal 2024. Other than changes related to incorporating our controls and procedures with respect to TDL and AJRD operations, there have been no changes in our ICFR that occurred during the quarter ended September 29, 2023 March 29, 2024 that have materially affected, or are reasonably likely to materially affect, our ICFR.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

See Note P; Q: Legal Proceedings and Contingencies in the Notes for discussion regarding material legal proceedings and contingencies. Except as set forth in such discussion, there have been no material developments in legal proceedings as reported in Part I: Item 3. Legal Proceedings in our Fiscal 2022 2023 Form 10-K.

ITEM 1A. RISK FACTORS.

Investors should carefully review and consider the information regarding certain factors that could materially affect our business, results of operations, financial condition, cash flows and equity as set forth in Part I: Item 1A. Risk Factors in our Fiscal 2022 2023 Form 10-K. There have been no material changes other than the amendment below, to the risk factors disclosed in our Fiscal 2022 2023 Form 10-K. We may disclose changes to our risk factors or disclose additional risk factors from time to time in our future filings with the SEC. Additional risks and uncertainties not presently known to us or that we currently believe not to be material also may adversely impact our business, financial condition, results of operations, cash flows and equity.

With our acquisition of AJRD, there is increased risk of the release, unplanned ignition, explosion, or improper handling of dangerous materials used in our business, which could disrupt our operations and adversely affect our financial results.

With our acquisition of AJRD, our business operations are subject to increased risk in connection with the handling, production, and disposition of potentially explosive and ignitable energetic materials and other dangerous chemicals, including motors and other materials used in rocket propulsion. The handling, production, transport, and disposition of hazardous materials could result in incidents that temporarily shut down or otherwise disrupt our manufacturing operations and could cause production delays. A release of these chemicals or an unplanned ignition or explosion could result in death or significant injuries to employees and others. Material property damage to us or third parties could also occur. The use of these products in applications by our customers could also result in liability if an explosion, unplanned ignition or fire were to occur. Extensive regulations apply to the handling of explosive and energetic materials, including but not limited to, regulations governing hazardous substances and hazardous waste. The failure to properly store and ultimately dispose of such materials could create significant liability and/or result in regulatory sanctions. Any release, unplanned ignition or explosion could expose us to adverse publicity or liability for damages or cause production delays, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and equity.

The real estate assets acquired as part of our acquisition of AJRD are subject to various risks due to environmental liabilities, regulatory exposure and vulnerability to changes to the real estate market, any of which could adversely affect the value of such assets or our financial results.

The real estate assets acquired as part of our acquisition of AJRD are subject to various risks that could adversely affect the value of such assets or our financial results, including the following:

- our reserves for estimated future environmental obligations relating to real estate assets acquired as part of our acquisition of AJRD may prove to be insufficient;
- we may be unable to complete environmental remediation or to have state and federal environmental restrictions on our real estate assets lifted;
- our real estate assets are subject to various Federal, state, and local regulations and restrictions that may impose significant limitations, including those related to endangered or protected wildlife species, zoning, land use, building, occupancy and other required governmental permits and authorizations, and such regulations and restrictions are subject to change; and

- economic and political uncertainties could have an adverse effect on real estate market conditions, construction costs, availability of labor and materials and other factors in the Sacramento region, where the acquired real estate assets are concentrated, and the real estate industry in general.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES, PROCEEDS.

Issuer Purchases of Equity Securities

The following table sets forth information with respect to repurchases by us of our common stock during the quarter ended **September 29, 2023** **March 29, 2024**:

Period*	Period*	Total number of shares purchased	Average price paid per share	Total number of shares that may yet be purchased under the plans or programs ⁽¹⁾ (\$ in millions)	Total number of shares purchased	Average price paid per share	Total number of shares that may yet be purchased under the plans or programs ⁽¹⁾ (\$ in millions)
Month No. 1	Month No. 1 (July 1, 2023 - July 28, 2023)						
Month No. 1	Month No. 1 (December 30, 2023 - January 26, 2024)						
Repurchase program ⁽¹⁾	Repurchase program ⁽¹⁾						
Repurchase program ⁽¹⁾	Repurchase program ⁽¹⁾	—	\$ —	—	\$ 3,935	—	—
Employee transactions ⁽²⁾	Employee transactions ⁽²⁾	20,838	\$ 197.93	—	—	—	—
Month No. 2	Month No. 2 (July 29, 2023 - August 25, 2023)						
(January 27, 2024 - February 23, 2024)	(January 27, 2024 - February 23, 2024)						
Repurchase program ⁽¹⁾	Repurchase program ⁽¹⁾						
Repurchase program ⁽¹⁾	Repurchase program ⁽¹⁾	—	\$ —	—	\$ 3,935	—	—

Employee transactions ⁽²⁾	Employee transactions ⁽²⁾	45,608	\$ 182.53	—	—
Month No. 3	Month No. 3				
(August 26, 2023 - September 29, 2023)					
(February 24, 2024 - March 29, 2024)					
(February 24, 2024 - March 29, 2024)					
(February 24, 2024 - March 29, 2024)					
Repurchase program ⁽¹⁾					
Repurchase program ⁽¹⁾					
Repurchase program ⁽¹⁾	Repurchase program ⁽¹⁾	—	\$ —	—	\$ 3,935
Employee transactions ⁽²⁾	Employee transactions ⁽²⁾	21,405	\$ 174.86	—	—
Total	Total	87,851		—	\$ 3,935

* Periods represent our fiscal months.

(1) On October 21, 2022, we announced that our Board of Directors approved a \$3.0 billion share repurchase authorization under our share repurchase program that was in addition to the remaining unused authorization of \$1.5 billion at that time. Our repurchase program does not have an expiration date and authorizes us to repurchase shares of our common stock through open market purchases, private transactions, transactions structured through investment banking institutions or any combination thereof. As of September 29, 2023 March 29, 2024, the remaining unused authorization under our repurchase programs was \$3.9 billion \$3.7 billion (as reflected in the table above).

(2) Represents a combination of (a) shares of our common stock delivered to us in satisfaction of the tax withholding obligation of holders of performance units restricted units or restricted shares units that vested during the quarter and (b) performance units, restricted units or restricted shares returned to us upon retirement or employment termination of employees quarter. Our stock incentive plans provide that the value of shares delivered to us to pay the exercise price of options or to cover tax withholding obligations shall be the closing price of our common stock on the date the relevant transaction occurs.

Sales of Unregistered Equity Securities

During the quarter ended September 29, 2023 March 29, 2024, we did not issue or sell any unregistered equity securities.

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ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None. Securities Trading Plans of Directors and Executive Officers

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We require all executive officers and directors to effect purchase and sale transactions in L3Harris securities pursuant to a trading plan (each, a "10b5-1 Plan") intended to satisfy the requirements of Rule 10b5-1 under the Exchange Act ("Rule 10b5-1"). We limit executive officers to a single 10b5-1 Plan in effect at any time, subject to limited exceptions in accordance with Rule 10b5-1. In addition, our stock ownership guidelines require executive officers to maintain ownership of L3Harris securities (excluding stock options and unearned performance share units) with a value equal to a multiple of their annual salary. Each executive officer

identified in the table below is expected to hold securities considerably in excess of L3Harris' stock ownership guidelines following the sale of the maximum number of shares contemplated.

The following table includes the material terms (other than with respect to the price) of each 10b5-1 Plan adopted or terminated by our executive officers and directors during the quarter ended March 29, 2024:

Name and title	Date of adoption of 10b5-1 Plan ⁽¹⁾	Date of termination of 10b5-1 Plan	Scheduled expiration date of 10b5-1 Plan ⁽²⁾	Aggregate number of shares of common stock to be purchased or sold ⁽³⁾
Christopher E. Kubasik Chair and CEO	February 21, 2024	N/A	June 13, 2024	Up to 76,190 shares underlying options expiring in 2026
Scott T. Mikuen Senior Vice President, General Counsel and Secretary	March 13, 2024	N/A	September 4, 2024	Up to 26,414 shares, including 15,887 shares underlying options expiring in 2027
Sean Stackley Senior Vice President, Strategy, Growth & Technology	March 13, 2024	N/A	September 13, 2024	Up to 6,708 shares

(1) Transactions under each Rule 10b5-1 Plan commence no earlier than 90 days after adoption, or such later date as required by Rule 10b5-1.

(2) Each Rule 10b5-1 Plan may expire on such earlier date as all transactions are completed.

(3) Each Rule 10b5-1 Plan provides for shares to be sold on multiple predetermined dates.

ITEM 6. EXHIBITS.

The following exhibits are filed herewith or are incorporated herein by reference to exhibits previously filed with the SEC.

(4.1) [\(2\)* Agreement and Plan Form of Merger, dated as of December 17, 2022, by and among L3Harris Technologies, Inc., Aquila Merger Sub Inc. and Aerojet Rocketdyne Holdings, Inc. 5.050% Global Note due 2029, incorporated herein by reference to exhibit 2.1 Exhibit 4.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on December 19, 2022 March 14, 2024. \(Commission File Number 1-3863\)](#)

(4.2) [Form of 5.250% Global Note due 2031, incorporated herein by reference to Exhibit 4.2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 14, 2024. \(Commission File Number 1-3863\)](#)

(4.3) [Form of 5.350% Global Note due 2034, incorporated herein by reference to Exhibit 4.3 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on March 14, 2024. \(Commission File Number 1-3863\)](#)

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**(10.1) [L3Harris Retirement Savings Plan \(Amended and Restated Effective January 1, 2024\), incorporated herein by reference to Exhibit 10\(h\) to L3Harris Technologies, Inc.'s Annual Report on Form 10-K filed with the SEC on February 16, 2024. \(Commission File Number 1-3863\)](#)

*(10.2) [\(10.1\)** 364-Day Credit Agreement, dated January 26, 2024, by and among L3Harris Technologies, Inc. Executive Change in Control Severance Plan, effective and the other parties thereto.](#)

**(10.3) [Letter Agreement with Christopher E. Kubasik, dated as of July 21, 2023 February 23, 2024, incorporated herein by reference to Exhibit 10.1 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with the SEC on July 24 2023, February 23, 2024. \(Commission File Number 1-3863\)](#)

**(10.4) [\(10.2\) L3Harris ** Technologies, Inc. Performance Unit Award Agreement Terms and Conditions \(As of February 13, 2024\).](#)

**(10.5) [Summary of Annual Compensation of L3Harris Technologies, Inc. Non-Employee Directors, effective as Stock Option Award Agreement Terms and Conditions \(As of January 1, 2024, incorporated herein by reference to Exhibit 10, February 13, 2024\).](#)

**(10.6) [2 to L3Harris Technologies, Inc.'s Current Report on Form 8-K filed with SEC on July 24 2023. \(Commission File Number 1-3863\)](#)

(10.3)** [Restricted Amendment Thirteen to the L3Harris Retirement Savings Plan \(as amended Unit Award Agreement Terms and restated effective January 1, 2021 Conditions \(As of February 13, 2024\) dated July 17, 2023.](#)

(15) [Letter Regarding Unaudited Interim Financial Information.](#)

(31.1) Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.

(31.2) Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.

(32.1) Section 1350 Certification of Chief Executive Officer.

(32.2) Section 1350 Certification of Chief Financial Officer.

(101) The financial information from L3Harris Technologies, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended September 29, 2023 March 29, 2024 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Statement of Operations, (ii) the Condensed Consolidated Statement of Comprehensive Income (Loss), (iii) the Condensed Consolidated Balance Sheet, (iv) the Condensed Consolidated Statement of Cash Flows, (v) the Condensed Consolidated Statement of Equity, and (vi) the Notes to Condensed Consolidated Financial Statements.

(104) Cover Page Interactive Data File formatted in Inline XBRL and contained in Exhibit 101.

* Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. L3Harris Technologies, Inc. hereby undertakes to furnish supplementally copies of any of the omitted schedules upon request by the SEC.

** Management contract or compensatory plan or arrangement.

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SIGNATURES

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

L3HARRIS TECHNOLOGIES, INC.

(Registrant)

Date: October 27, 2023 April 26, 2024

By:

/s/ MICHELLE KENNETH L. TURNER BEDINGFIELD

Michelle Kenneth L. Turner Bedingfield

Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

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EXHIBIT 10.2

Exhibit 10.3 EXECUTION COPY

AMENDMENT NUMBER THIRTEEN 364-DAY CREDIT AGREEMENT

TO THE Dated as of January 26, 2024

among

L3HARRIS RETIREMENT SAVINGS PLAN TECHNOLOGIES, INC.

and certain of

its Subsidiaries from time to time,

as the Borrowers,

THE LENDERS FROM TIME TO TIME PARTY HERETO,

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent,

BANK OF AMERICA, N.A., U.S. BANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
MIZUHO BANK, LTD., SUMITOMO MITSUI BANKING CORPORATION and
THE BANK OF NOVA SCOTIA,
as Co-Syndication Agents

JPMORGAN CHASE BANK, N.A.,
BofA SECURITIES, INC., U.S. BANK NATIONAL ASSOCIATION,
WELLS FARGO SECURITIES, LLC,
TD SECURITIES (USA) LLC, MIZUHO BANK, LTD.,
SUMITOMO MITSUI BANKING CORPORATION and
THE BANK OF NOVA SCOTIA,
as Joint Lead Arrangers and Joint Bookrunners

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EXHIBITS

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F-3	Form of U.S. Tax Compliance Certificate (For Foreign Person Participants That Are Partnerships for U.S. Federal Income Tax Purposes)
F-4	Form of U.S. Tax Compliance Certificate (For Foreign Person Recipients That Are Partnerships for U.S. Federal Income Tax Purposes)

364-DAY CREDIT AGREEMENT

This 364-DAY CREDIT AGREEMENT (this "Agreement") is made and entered into as of January 26, 2024, by and among L3HARRIS TECHNOLOGIES, INC., a Delaware corporation (the "Company," and together with all Subsidiary Borrowers (as defined below) from time to time, the "Borrowers"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender") and JPMORGAN CHASE BANK, N.A., in its capacity as administrative agent for the Lenders (the "Administrative Agent").

WITNESSETH:

WHEREAS, the Company has requested that the Lenders provide a \$1,500,000,000 revolving credit facility in favor of the Borrowers;

WHEREAS, subject to the terms and conditions of this Agreement, the Lenders, to the extent of their respective Commitments as defined herein, are willing severally to establish the requested revolving credit facility in favor of the Borrowers.

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

ARTICLE I.

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Acquisition" means the acquisition of (a) a controlling Equity Interest in another Person (including the purchase of an option, warrant or convertible or similar type security to acquire such a controlling interest at the time it becomes exercisable by the holder thereof), whether by purchase of such Equity Interest or upon exercise of an option or warrant for, or conversion of securities into, such Equity Interest, or (b) assets of another Person which constitute all or substantially all of the assets of such Person or a line or lines of business conducted by such Person.

"Adjusted Daily Simple RFR" means, (i) with respect to any RFR Borrowing denominated in Sterling, an interest rate per annum equal to (a) the Daily Simple RFR for Sterling, plus (b) 0.0326%, and (ii) with respect to any RFR Borrowing denominated in Dollars, an interest rate per annum equal to (a) the Daily Simple RFR for Dollars, plus (b) 0.10%; provided that if the Adjusted Daily Simple RFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Adjusted EURIBO Rate" means, with respect to any Term Benchmark Borrowing denominated in Euro for any Interest Period, an interest rate per annum equal to (a) the EURIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate; provided that if the Adjusted EURIBO

Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Adjusted Term SOFR Rate" means, with respect to any Term Benchmark Borrowing denominated in Dollars for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, plus (b) 0.10%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Administrative Agent" means JPMorgan Chase Bank, N.A. (including its branches and affiliates) in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address as set forth on Schedule 10.02, or such other address as the Administrative Agent may from time to time notify to the Company and the Lenders.

"Administrative Questionnaire" means, with respect to each Lender, an administrative questionnaire in the form provided by the Administrative Agent and submitted to the Administrative Agent duly completed by such Lender.

"Aerojet Acquisition" means the acquisition of Aerojet Rocketdyne Holdings, Inc., a Delaware corporation ("Aerojet"), by the Company pursuant to the Aerojet Acquisition Agreement.

"Aerojet Acquisition Agreement" means the Agreement and Plan of Merger, dated as of December 17, 2022, by and among the Company, Aquila Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of the Company, and Aerojet.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, as to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person.

"Agent-Related Persons" means the Administrative Agent (including any successor administrative agent), together with its Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

"Aggregate Commitments" means, collectively, all Commitments of all Lenders at any time outstanding.

"Agreed Currencies" means (a) Dollars and (b) any other currency (x) that is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars and (y) that is agreed to by the Administrative Agent and each of the Lenders. For the avoidance of doubt, it is understood and agreed that on and after the Closing Date, the only Agreed Currency shall be

Dollars (notwithstanding any references in this Agreement to any other currency) and no additional currency shall be included as an Agreed Currency until such currency is requested by the Company and approved in writing by the Administrative Agent and each of the Lenders.

"Agreement" has the meaning set forth in the first paragraph hereof.

"Ancillary Document" has the meaning set forth in [Section 10.11](#).

"Anti-Corruption Laws" has the meaning set forth in [Section 5.17](#).

"Anti-Money Laundering Laws" has the meaning set forth in [Section 5.15](#).

"Applicable Rate" means, from time to time, the following percentages per annum, based upon the Senior Debt Rating existing at such time:

Pricing Level	Senior Debt Ratings ¹	Applicable Rate for Term Benchmark Loans and RFR Loans	Applicable Rate for Base Rate Loans	Applicable Rate for Commitment Fee
I	≥ BBB+/Baa1/BBB+	1.000%	0.000%	0.090%
II	BBB/Baa2/BBB	1.125%	0.125%	0.110%
III	BBB-/Baa3/BBB-	1.250%	0.250%	0.150%
IV	BB+/Ba1/BB+	1.500%	0.500%	0.200%
V	≤ BB/Ba2/BB	1.750%	0.750%	0.250%

WHEREAS,¹ Without regard to ratings watch.

Initially, the Applicable Rate shall be set at Pricing Level II. Thereafter, each change in the Applicable Rate resulting from a publicly announced change in the Senior Debt Rating shall be effective, in the case of either an upgrade or a downgrade, during the period commencing on the third (3rd) Business Day following the date of public announcement thereof and ending on the date immediately preceding the effective date of the next such change. If none of Moody's, S&P or Fitch has rated the Company, then the Applicable Rate shall be set at Pricing Level V.

"Approved Electronic Platform" has the meaning set forth in [Section 9.14\(a\)](#).

"Approved Fund" has the meaning set forth in [Section 10.07\(i\)](#).

"Arranger" means each of JPMorgan Chase Bank, N.A., BofA Securities, Inc., U.S. Bank National Association, Wells Fargo Securities, LLC, TD Securities (USA) LLC, Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Nova Scotia, in its capacity a joint lead arranger and joint bookrunner hereunder.

"Assignment and Acceptance" means an Assignment and Acceptance substantially in the form of [Exhibit C](#) or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent from time to time.

"Attorney Costs" means and includes all reasonable fees and disbursements of any law firm or other external counsel and all reasonable disbursements of internal counsel.

"Attributable Indebtedness" means, on any date, in respect of any Synthetic Lease Obligation, the capitalized amount of any remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

"Audited Financial Statements" means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended December 30, 2022, and the related consolidated statements of income and cash flows for such fiscal year.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark for any Agreed Currency, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (e) of Section 3.03.

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

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

"Base Rate" means, for any day, a rate *per annum* equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus $\frac{1}{2}$ of 1% and (c) the Adjusted Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1%; provided that for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference

Rate methodology). Any change in the Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate, respectively. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 3.03(b)), then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Base Rate as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

"Base Rate Loan" means a Revolving Loan that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in Dollars.

"Benchmark" means, initially, with respect to any (i) RFR Loan in any Agreed Currency, the applicable Relevant Rate for such Agreed Currency or (ii) Term Benchmark Loan, the Relevant Rate for such Agreed Currency; provided that if a Benchmark Transition Event and the related Benchmark Replacement Date have occurred with respect to the applicable Relevant Rate or the then-current Benchmark for such Agreed Currency, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 3.03.

"Benchmark Replacement" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in a Foreign Currency, "Benchmark Replacement" shall mean the alternative set forth in (2) below:

- (1) in the case of any Loan denominated in Dollars, the Adjusted Daily Simple RFR for RFR Borrowings denominated in Dollars;

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Company as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States and (b) the related Benchmark Replacement Adjustment;

provided that if the Benchmark Replacement as determined pursuant to clause (1) or clause (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative

value or zero), that has been selected by the Administrative Agent and the Company for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency at such time.

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

"Benchmark Replacement Date" means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if such Benchmark (or component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

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

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

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

"Benchmark Unavailability Period" means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.03 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.03.

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

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

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

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

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrowers" has the meaning set forth in the introductory paragraph hereto. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, no Subsidiary may be or become a Subsidiary Borrower without the prior written consent of the Administrative Agent and each Lender.

"Borrowing" means Loans of the same Type and Agreed Currency, made, converted or continued on the same date to the same Borrower and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect.

"Business Day" means, any day (other than a Saturday or a Sunday) on which banks are open for business in New York City; provided that, in addition to the foregoing, a Business Day shall be (i) in relation to Loans denominated in Euro and in relation to the calculation or computation of the EURIBO Rate, any day which is a TARGET Day, (ii) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings in the applicable Agreed Currency of such RFR Loan, any date that is only a RFR Business Day and (iii) in relation to Loans referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Adjusted Term SOFR Rate or any other dealings of such Loans referencing the Adjusted Term SOFR Rate, any such day that is only a U.S. Government Securities Business Day.

"Calculation Date" has the meaning specified in [Section 10.23](#).

"Canadian Borrower" means any Canadian Subsidiary that becomes a Subsidiary Borrower pursuant to [Section 2.16](#) and that has not ceased to be a Subsidiary Borrower pursuant to such Section.

"Canadian Subsidiary" means any Subsidiary that is organized under the laws of Canada or any province or territory thereof.

"Capital Lease" means any lease of any property, real or personal, by the Company or any of its Subsidiaries, as lessee, that should, in accordance with GAAP, be classified and accounted for as a capital lease or finance lease on a consolidated balance sheet of the Company and its Subsidiaries. Notwithstanding the foregoing or any other provision contained in this Agreement or in any Loan Document, any obligations related to a lease (whether now or hereafter existing) that would be accounted for by such Person as an operating lease in accordance with GAAP without giving effect to Accounting Standards Update No. 2016-02 issued by the Financial Accounting Standards Board (whether or not such lease exists as of the date hereof or is thereafter entered into) shall be accounted for as an operating lease and not a capital lease or finance lease for all purposes under this Agreement and the Loan Documents.

"CBR Loan" means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

"CBR Spread" means the Applicable Rate applicable to such Loan that is replaced by a CBR Loan.

"Central Bank Rate" means the greater of (i) (A) for any Loan denominated in (a) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, (b) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time, or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank (or any successor thereto) from time to time and (x) any other Foreign Currency determined after the Closing Date, a central bank rate as determined by the Administrative Agent in its reasonable discretion; plus (B) the applicable Central Bank Rate Adjustment and (ii) the Floor.

"Central Bank Rate Adjustment" means, for any day, for any Loan denominated in:

(a) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the Adjusted EURIBO Rate for the five most recent Business Days preceding such day for which the EURIBO Screen Rate was available (excluding, from such averaging, the highest and the lowest Adjusted EURIBO Rate applicable during such period of

five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period,

(b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of Adjusted Daily Simple RFR for Sterling Borrowings for the five most recent RFR Business Days preceding such day for which Adjusted Daily Simple RFR for Sterling Borrowings was available (excluding, from such averaging, the highest and the lowest such Adjusted Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period, and

(c) any other Foreign Currency determined after the Closing Date, an adjustment as determined by the Administrative Agent in its reasonable discretion.

For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (i)(B) of the definition of such term and (y) the EURIBO Rate on any day shall be based on the EURIBO Screen Rate on such day at approximately the time referred to in the definition of such term for deposits in the applicable Agreed Currency for a maturity of one month.

"Change in Law" means (a) the adoption of any applicable law, rule or regulation after the date of this Agreement, (b) any change in any applicable law, rule or regulation, or any change in the interpretation, implementation or application thereof, by any Governmental Authority after the date of this Agreement, or (c) compliance by any Lender (or its applicable Lending Office) (or, for purposes of Section 3.04, by the Parent Company of such Lender, if applicable) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided, that for purposes of this Agreement, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements or directives issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines, requirements 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 Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means, with respect to any Person, an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, or any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that such a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire (such right, "option right"), whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 25% or more of the equity securities of such Person entitled to vote for members of the board of directors or equivalent governing body on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right); or

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of such Person cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or a duly authorized committee of such board or governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body. For purposes of determining a majority of the members of the board of directors or other equivalent governing body, vacant seats shall not be included.

"Closing Date" means the first date on which all of the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 4.01 (or, in the case of Section 4.01(b), waived by the Person entitled to receive the applicable payment).

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and any regulations promulgated thereunder.

"Commitment" means, as to each Lender, its obligation to make Revolving Loans to the Borrowers pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01, as such amount may be reduced or adjusted from time to time in accordance with this Agreement.

"Commitment Termination Date" means the earliest of (i) the date that is 364 days following the Closing Date and (ii) such earlier date upon which the Commitments are terminated in accordance with the terms hereof.

"Commonly Controlled Entity" means an entity, whether or not incorporated, which is under common control with the Company within the meaning of Section 4001 of ERISA or, solely for purposes of Section 412 and Section 430 of the Code, is part of a group which includes the Company and which is treated as a single employer under Section 414 of the Code.

"Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender by means of electronic communications pursuant to Section 9.14, including through an Approved Electronic Platform.

"Company" has the meaning set forth in the introductory paragraph hereto.

"Compensation Period" has the meaning set forth in Section 2.11(d)(ii).

"Compliance Certificate" means a certificate substantially in the form of Exhibit D.

"Consolidated Total Assets" means, at any time, the total consolidated assets of the Company and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP, as reflected on the Company's consolidated balance sheet as of the last day of the fiscal quarter ending on or before the date of determination, after eliminating all amounts properly attributable to minority interests, if any, in the stock and surplus of Restricted Subsidiaries.

"Consolidated Total Indebtedness" means, at any time, without duplication, the sum of (a) all amounts which would be included as Debt of the Company and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP at such time, plus (b) the amount of Attributable Indebtedness of the Company and its Restricted Subsidiaries at such time.

"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Covered Entity" means any of the following:

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

a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" has the meaning assigned to it in Section 10.28.

"Credit Event" means a Borrowing.

"Credit Extension" means a Revolving Borrowing.

"Credit Party" means the Administrative Agent or any other Lender.

"Daily Simple RFR" means, for any day (an "RFR Interest Day"), an interest rate per annum equal to, for any RFR Loan denominated in (i) Sterling, SONIA for the day that is five (5) RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, and (ii) Dollars, Daily Simple SOFR.

"Daily Simple SOFR" means, for any day (a "SOFR Rate Day"), a rate per annum equal to SOFR for the day (such day a "SOFR Determination Date") that is five (5) RFR Business Days prior to (i) if such SOFR Rate Day is an RFR Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Company. If by 5:00 p.m., New York City time, on the second (2nd) U.S. Government Securities Business Day immediately following any SOFR Determination Date, SOFR in respect of such SOFR Determination Date has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Date will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website.

"Debt" means, as to any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services in respect of which such Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such Person otherwise assures a creditor against loss, (other than current liabilities incurred in the ordinary course of business and payable in accordance with customary practices) or which is evidenced by a note, bond, debenture or similar instrument, (b) all Capital Lease obligations of such Person and (c) all Synthetic Lease Obligations.

"Debtor Relief Laws" means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief

Laws of the United States of America or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (a) with respect to Base Rate Loans, the Base Rate plus the Applicable Rate applicable to Base Rate Loans plus 2% per annum, (b) with respect to (i) Term Benchmark Loans in Dollars, the Adjusted Term SOFR Rate plus the Applicable Rate applicable to Term Benchmark Loans plus 2% per annum and (ii) Term Benchmark Loans in Euro, the Adjusted EURIBO Rate plus the Applicable Rate applicable to Term Benchmark Loans plus 2% per annum; provided, however, that for any Term Benchmark Loans, at the end of the applicable Interest Period, interest shall accrue at the Base Rate plus 2% per annum, (c) with respect to (i) RFR Loans denominated in Sterling, the Adjusted Daily Simple RFR for Sterling, plus the Applicable Rate applicable to RFR Loans plus 2% per annum and (ii) RFR Loans denominated in Dollars, the Adjusted Daily Simple RFR for Dollars, plus the Applicable Rate applicable to RFR Loans plus 2% per annum, and (d) with respect to all other amounts, the interest rate then applicable hereunder to Base Rate Loans plus 2% per annum.

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

"Defaulting Lender" means, at any time, subject to Section 3.10(a), (a) any Lender that has failed for two (2) or more Business Days to comply with its obligations under this Agreement to make a Loan or to make any other payment due hereunder (each a "funding obligation"), unless such Lender has notified the Administrative Agent and the Company in writing that such failure is the result of such Lender's reasonable determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent will be specifically identified in such writing, including a description of any Default or Event of Default that is asserted to be the cause of the conditions precedent not being satisfied), (b) any Lender that has notified the Administrative Agent in writing, or has stated publicly, that it does not intend to comply with any such funding obligation hereunder, unless such writing or public statement states that such position is based on such Lender's reasonable determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent will be specifically identified in such writing or otherwise communicated to the Administrative Agent following such statement, including a description of any Default or Event of Default that is asserted to be the cause of the conditions precedent not being satisfied), (c) any Lender that has, for three (3) or more Business Days after written request of the Administrative Agent or the Company, failed to confirm in writing to the Administrative Agent and the Company that it will comply with its prospective funding obligations hereunder (provided that such Lender will cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's and the Company's receipt of such written confirmation), or (d) any Lender (i) with respect to which a Lender Insolvency Event has occurred and is continuing or (ii) that has become subject of a Bail-in Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender will be conclusive and binding, absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 3.10(a)) upon notification of such determination by the Administrative Agent to the Company and the Lenders.

"Disqualified Institution" means (a) competitors of the Company or its Subsidiaries, identified in writing by the Company to the Administrative Agent from time to time (it being understood that notwithstanding anything herein to the contrary, in no event shall a supplement apply retroactively to disqualify any parties that have previously acquired an assignment or participation interest hereunder that is otherwise permitted hereunder, but upon the effectiveness of such designation, any such Person may not acquire any additional Commitments, Loans or participations), (b) such other Persons identified in writing by the Company to the Administrative Agent prior to the date hereof and (c) Affiliates of the Persons identified pursuant to clauses (a) or (b) that are either clearly identifiable by name or identified in writing by the Company to the Administrative Agent from time to time.

"Dollar(s)" and the sign **"\$"**, means lawful money of the United States of America.

"Dollar Equivalent" of any amount of any currency means, at the time of determination thereof, (a) if such amount is expressed in Dollars, such amount, (b) if such amount is expressed in a Foreign Currency, the equivalent of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with such Foreign Currency last provided (either by publication or otherwise provided to the Administrative Agent) by the applicable Reuters source on the Business Day (New York

City time) immediately preceding the date of determination or if such service ceases to be available or ceases to provide a rate of exchange for the purchase of Dollars with such Foreign Currency, as provided by such other publicly available information service which provides that rate of exchange at such time in place of Reuters chosen by the Administrative Agent in its reasonable discretion (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as reasonably determined by the Administrative Agent, in consultation with the Company, using any reasonable method of determination it deems reasonably appropriate) and (c) if such amount is

denominated in any other currency, the equivalent of such amount in Dollars as reasonably determined by the Administrative Agent, in consultation with the Company, using any reasonable method of determination it deems reasonably appropriate.

"DQ List" has the meaning set forth in Section 10.07(k)(iv).

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

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

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

"Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Eligible Assignee" has the meaning specified in Section 10.07(i).

"Eligible Restricted Subsidiary" means any Restricted Subsidiary wholly owned, directly or indirectly, by the Company and organized in the United States, Canada or the United Kingdom (or such other jurisdiction as all Lenders shall approve in writing).

"EMU" means the economic and monetary union as contemplated in the Treaty on European Union, as amended and in effect from time to time.

"EMU Legislation" means legislative measures of the European Council for the introduction of, changeover to, or operation of, a single or unified European currency (whether known as the Euro or otherwise), being in part the implementation of the third stage of EMU.

"Environmental Laws" means any and all Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any Governmental Authority regulating, relating to or imposing liability or standards of conduct concerning environmental protection matters (including, without limitation, any hazardous materials, hazardous wastes, hazardous constituents, hazardous or toxic substances or petroleum products (including crude oil or any fraction thereof)) as now or at any time hereafter in effect.

"Equity Interest" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any regulations promulgated thereunder.

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Company or any Commonly Controlled Entity from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Company or any Commonly Controlled Entity from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) with respect to a Pension Plan or Multiemployer Plan that does not hold assets that equal or exceed its liabilities, the filing of a notice of intent to terminate under Section 4041(a)(2) of ERISA, if such Pension Plan's or Multiemployer Plan's liabilities exceed its assets as of the date of the filing of such notice, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC under Section 4042 of ERISA to terminate such Pension Plan or Multiemployer Plan; or (e) the imposition of any liability under Title IV of ERISA, other than PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Company or any Commonly Controlled Entity that would cause a Material Adverse Effect.

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

"EU Insolvency Regulation" means the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

"EURIBO Rate" means, with respect to any Term Benchmark Borrowing denominated in Euro and for any Interest Period, the EURIBO Screen Rate, two (2) TARGET Days prior to the commencement of such Interest Period.

"EURIBO Screen Rate" means the Euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Reuters screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate

from time to time in place of Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Company.

"Euro" and the sign **"€"**, means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the EMU Legislation for the introduction of, changeover to or operation of the Euro in one or more Participating Member States.

"Event of Default" has the meaning specified in **Article VIII**.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be deducted or withheld from a payment to a Recipient by or on account of any obligation of any Borrower hereunder:

(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 Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes,

(b) any U.S. federal withholding Taxes that (i) are imposed on amounts payable to such Recipient pursuant to a law in effect on the date on which such Recipient becomes a Recipient under this Agreement (other than pursuant to an assignment request by the Company under Section 10.15) or designates a new Lending Office, except in each case to the extent that amounts with respect to such Taxes were payable either (A) to such Recipient's assignor immediately before such Recipient became a Recipient under this Agreement, or (B) to such Recipient immediately before it designated a new Lending Office or (ii) are attributable to such Recipient's failure to comply with **Section 3.01(f)**, and

(c) any withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Revolving Credit Agreement, dated as of July 29, 2022, by and among the Company, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

"Existing 364-Day Credit Agreement" means that certain 364-Day Credit Agreement, dated as March 10, 2023, by and among the Company, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

"Existing Loan Agreement" means that certain Loan Agreement, dated as of November 22, 2022, by and among the Company, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

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

"FCPA" has the meaning set forth in **Section 5.17** hereof.

"Federal Funds Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next

succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Fee Letter" means (i) that certain fee and engagement letter dated as of November 22, 2023, executed by JPMorgan Chase Bank, N.A. and accepted by the Company and (ii) those certain fee and engagement letters dated on or about the date hereof, executed by certain of the other Arrangers and accepted by the Company.

"Fitch" means Fitch Ratings Inc.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate, the Adjusted EURIBO Rate, each Adjusted Daily Simple RFR or the Central Bank Rate, as applicable. For the avoidance of doubt, the initial Floor for each of the Adjusted Term SOFR Rate, the Adjusted EURIBO Rate, each Adjusted Daily Simple RFR or the Central Bank Rate shall be 0%.

"Foreign Currency" means any Agreed Currency other than Dollars.

"Foreign Currency Sublimit" means an amount equal to \$0.

"Foreign Person" means any Person that is not a U.S. Person.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession, that are applicable to the circumstances as of the date of determination, consistently applied.

"Government Contract" means any agreement or contract with or made at the request of any Governmental Authority.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, department, instrumentality, commission, regulatory body, court, administrative tribunal, 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) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"Hazardous Materials" means any hazardous materials, hazardous wastes, hazardous constituents, hazardous or toxic substances or petroleum products (including crude oil or any fraction thereof), defined or regulated as such in or under any Environmental Law.

"Hedging Arrangements" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a **"Master Agreement"**), including any such obligations or liabilities under any Master Agreement.

"Hostile Acquisition" means (a) any transaction which is subject to Section 13(d) (other than an Investment Transaction) or Section 14(d) of the Securities Exchange Act of 1934, unless, prior to the time such transaction becomes subject to such Section 13(d) or 14(d), the board of directors or other governing body of the acquiree has adopted a resolution approving such transaction and approving any "change of control" with respect to such Person whereby the Company may acquire control of such Person, and (b) any purchase or attempt to purchase, any Person by means of a public debt or equity tender offer or other unsolicited takeover (or the equivalent thereof in any jurisdiction), or any attempt to engage in a proxy contest (or the equivalent thereof in any jurisdiction) for control of the board of directors (or the functional equivalent thereof) of any Person, in either case which has not been approved and recommended by the board of directors (or the functional equivalent thereof) of the Person being

acquired or proposed to be acquired or which is the subject of such proxy contest. For purposes of this definition, (x) a "change of control" means, for any Person, an Acquisition with respect to such Person and (y) an "Investment Transaction" means a transaction subject to Section 13(d), but not Section 16, of the Securities Exchange Act of 1934, provided that in connection with such a transaction, the Company or any applicable Subsidiary (as the case may be) has reported and at all times continues to report to the Securities and Exchange Commission that such transaction is undertaken for investment purposes only

and not for any of the purposes specified in clauses 4(a) through (j), inclusive, of the special instructions for complying with Schedule 13D under the Securities Exchange Act of 1934.

"Indemnified Liabilities" has the meaning set forth in Section 10.05(a).

"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 any Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning set forth in Section 10.05(a).

"Information" has the meaning set forth in Section 10.08.

"Insolvency" means, with respect to any Multiemployer Plan, the condition that such Multiemployer Plan is insolvent within the meaning of Section 4245 of ERISA.

"Interest Payment Date" means (a) with respect to any Base Rate Loan, the last day of each March, June, September and December and the Maturity Date, (b) with respect to any RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such RFR Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and the Maturity Date and (c) with respect to any Term Benchmark Loan, the last day of each Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period and the Maturity Date.

"Interest Period" means with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment for any Agreed Currency), as the applicable Borrower may elect; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (iii) no tenor that has been removed from this definition pursuant to Section 3.03(e) shall be available for specification in such Revolving Loan Notice. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"IRS" means the United States Internal Revenue Service.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders and administrative or judicial

precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" has the meaning specified in the introductory paragraph hereto.

"Lender Insolvency Event" means that (a) a Lender or its Parent Company is insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, (b) a Lender or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, custodian or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such capacity, has been appointed for such Lender or its Parent Company, or

such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment, or (c) a Lender or its Parent Company has been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent; provided that, for the avoidance of doubt, a Lender Insolvency Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any Equity Interest in or control of a Lender or a Parent Company thereof by a Governmental Authority or an instrumentality thereof so long as such ownership or acquisition does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

"Lender-Related Person" has the meaning assigned to such term in Section 10.05(c).

"Lending Office" means, for each Lender and for each Type of Loan, the "Lending Office" of such Lender (or an Affiliate of such Lender) designated for such Type of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or such Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrowers as the office by which its Loans of such Type are to be made and maintained.

"Liabilities" means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

"Lien" means any mortgage, pledge, security interest, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), preference, priority or charge of any kind or nature whatsoever (including, without limitation, any agreement to give any of the foregoing, any conditional sale or other title retention agreement, the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction or any other similar recording or notice statute, and any lease having substantially the same effect as any of the foregoing); provided that in no event shall a precautionary filing of a UCC financing statement in respect of an operating lease constitute a Lien.

"Loan" means an extension of credit by a Lender to a Borrower under Article II in the form of a Revolving Loan.

"Loan Documents" means this Agreement, each Fee Letter, each Request for Credit Extension, each Compliance Certificate, any promissory notes issued pursuant to this Agreement and any and all other instruments, documents and agreements executed by any Borrower in connection with any of the foregoing.

"Margin Stock" has the meaning set forth in Regulation U.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations, property, condition (financial or otherwise), or results of operations of the Company and its Restricted Subsidiaries taken as a whole, (b) the ability of the Borrowers to perform their payment obligations under any Loan Document or (c) the validity or enforceability of any Loan Document or the rights and remedies of the Lenders hereunder or thereunder.

"Material Subsidiary" means, at any time, any Restricted Subsidiary of the Company, the assets of which represent 10% or more of Consolidated Total Assets (or the equivalent thereof in another currency), based upon the most recent financial statements delivered to the Administrative Agent pursuant to Sections 6.01(a) and (b).

"Maturity Date" means the Commitment Termination Date or, if applicable, the date to which the Maturity Date shall have been extended in accordance with Section 2.17; provided, however, in each case, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Maximum Rate" has the meaning specified in Section 10.10.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Multiemployer Plan" means a multiemployer plan of the type described in Section 4001(a)(3) of ERISA, to which the Company or any Commonly Controlled Entity makes or is obligated to make contributions, or during the preceding five calendar years, has made or been obligated to make contributions.

"Net Cash Proceeds" means:

(a) with respect to any Specified Debt, (i) the cash proceeds received in respect of such Specified Debt, but only as and when received, net of (ii) the sum of all fees, commissions, costs and other expenses incurred in connection with such Specified Debt (excluding amounts

paid to Affiliates), including any legal, accounting and investment banking fees, underwriting discounts and fees, commissions, costs and other expenses incurred by the Company and/or its Subsidiaries in connection with the incurrence, issuance, offering or placement of such Specified Debt;

(b) with respect to any Specified Equity Issuance, the excess of (i) the cash received in connection with such issuance over (ii) the underwriting discounts and commissions and other fees and expenses incurred by the Company and its Subsidiaries in connection with such issuance; and

(c) with respect to any Specified Asset Sale, the excess, if any, of (i) the cash received in connection therewith (including any cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) over (ii) the sum of (A) payments made to retire any indebtedness that is secured by such asset and that is required to be repaid in connection with the sale thereof (other than Loans), (B) the fees and expenses incurred by the Company and its Subsidiaries in connection therewith, (C) taxes paid or reasonably estimated to be payable by the Company and its Subsidiaries in connection with such transaction, and (D) the amount of reserves established by the Company and its Subsidiaries in good faith and pursuant to commercially reasonable practices for adjustment in respect of the sale price of such asset or assets in accordance with GAAP, provided that if the amount of such reserves exceeds the amounts charged against such reserves, then such excess, upon the determination thereof, shall then constitute Net Cash Proceeds.

"Net Worth of Unrestricted Subsidiaries" means, as of any date, the portion of Total Shareholders' Equity that relates to the shareholders' equity of Unrestricted Subsidiaries as of such date determined in accordance with GAAP, but without reduction for the minority interests, if any, in any Subsidiaries thereof.

"Non-Consenting Lender" has the meaning specified in [Section 10.15](#).

"Non-Defaulting Lender" means, at any time, a Lender that is not a Defaulting Lender.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (a) the Federal Funds Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined be less than 0%, such rate shall be deemed to be 0% for purposes of this Agreement.

"NYFRB's Website" means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

"Obligations" means all amounts owing by the Borrowers to the Administrative Agent or any Lender pursuant to or in connection with this Agreement or any other Loan Document or otherwise with respect to any Loan including, without limitation, all principal, interest (including any interest and fees accruing after the filing of any petition in bankruptcy or the commencement of any insolvency, reorganization or like proceeding relating to any Borrower, whether or not a claim for post-filing or post-petition interest is allowed or allowable in such proceeding), all reimbursement obligations, fees, expenses, indemnification and reimbursement payments, costs and expenses (including all fees and

expenses of counsel to the Administrative Agent and any Lender incurred pursuant to this Agreement or any other Loan Document), whether direct or indirect, absolute or contingent, liquidated or unliquidated, now existing or hereafter arising hereunder or thereunder, together with all renewals, extensions, modifications or refinancings of any of the foregoing.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws; (b) with respect to any limited liability company, the articles of formation and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation with the secretary of state or other department in the state of its formation, in each case as amended from time to time.

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

"Other Taxes" means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made hereunder or under any other Loan Document or from the execution, delivery, performance or enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed solely with respect to an assignment (other than an assignment made pursuant to Section 10.15).

"Outstanding Amount" means with respect to Revolving Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Loans, as the case may be, occurring on such date.

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

"Overnight Rate" means, for any day, (a) with respect to any amount denominated in Dollars, the NYFRB Rate and (b) with respect to any amount denominated in a Foreign Currency, an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

"Parent Company" means, with respect to a Lender, the "bank holding company" (as defined in Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

"Participant" has the meaning specified in Section 10.07(d).

"Participant Register" has the meaning specified in Section 10.07(e).

"Participating Member State" means a member state of the European Communities that adopts or has adopted the Euro as its lawful currency under the legislation of the European Union for European Monetary Union.

"Patriot Act" means the USA PATRIOT Improvement and Reauthorization Act of 2005 (Pub. L. 109-177 (signed into law March 9, 2006)), as amended and in effect from time to time.

"Payment" has the meaning set forth in Section 9.15.

"Payment Notice" has the meaning set forth in Section 9.15.

"PBGC" means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"Pension Plan" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Section 302 or Title IV of ERISA or Section 412 of the Code and is sponsored or maintained by the Company or any Commonly Controlled Entity or to which the Company or any Commonly Controlled Entity contributes or has an obligation to contribute, or in the case of a multiple employer plan (as described in Section 4064(a) of ERISA) has made contributions at any time during the immediately preceding five plan years.

"Permitted Liens" means only those Liens permitted by subsections (a) through (y) of Section 7.01.

"Person" means any individual, trustee, corporation, general partnership, limited partnership, limited liability company, joint stock company, trust, unincorporated organization, bank, business association, firm, joint venture or other legally recognized entity or Governmental Authority.

"Plan" means, at a particular time, an employee benefit plan as defined in Section 3(3) of ERISA and in respect of which the Company or a Commonly Controlled Entity is an "employer" as defined in Section 3(5) of ERISA, or would be deemed a "contributing sponsor" under Section 4069 of ERISA if such plan were terminated.

"Plan Asset Regulations" means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

"Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined

by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Properties" has the meaning set forth in [Section 5.08](#).

"Pro Rata Share" means, with respect to each Lender, a percentage, the numerator of which shall be such Lender's Commitment outstanding (or if the Commitments have been terminated or expired or the Loans have been declared to be due and payable, such Lender's Revolving Credit Exposure), and the denominator of which shall be the sum of the Commitments outstanding of all Lenders (or if the Commitments have been terminated or expired or the Loans have been declared to be due and payable, all Revolving Credit Exposure), as such share may be adjusted as contemplated herein.

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

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

"QFC Credit Support" has the meaning assigned to it in [Section 10.28](#).

"Recipient" means, as applicable, (a) the Administrative Agent and (b) any Lender.

"Reference Time" with respect to any setting of the then-current Benchmark means (i) if such Benchmark is the Term SOFR Rate, 5:00 a.m., Chicago time, on the day that is two (2) U.S. Government Securities Business Days preceding the date of such setting, (ii) if such Benchmark is the EURIBO Rate, 11:00 a.m., Brussels time two (2) TARGET Days preceding the date of such setting, (iii) if the RFR for such Benchmark is SONIA, then four (4) RFR Business Days prior to such setting, (iv) if the RFR for such Benchmark is Daily Simple SOFR, then four (4) RFR Business Days prior to such setting or (v) if such Benchmark is none of the Term SOFR Rate, Daily Simple SOFR, the EURIBO Rate or SONIA, the time determined by the Administrative Agent in its reasonable discretion.

"Refinancing Debt" means Debt incurred or borrowed by the Company and/or its Subsidiaries, to the extent the proceeds thereof have been escrowed, for the redemption, defeasement, satisfaction and discharge or repayment of any existing Debt of the Company or any of its Subsidiaries.

"Register" has the meaning set forth in [Section 10.07\(c\)](#).

"Regulation D" means Regulation D of the Board, as the same may be in effect from time to time, and any successor regulations.

"Regulation T" means Regulation T of the Board, as the same may be in effect from time to time, and any successor regulations.

"Regulation U" means Regulation U of the Board, as the same may be in effect from time to time, and any successor regulations.

"Regulation X" means Regulation X of the Board, as the same may be in effect from time to time, and any successor regulations.

"Regulation Y" means Regulation Y of the Board, as the same may be in effect from time to time, and any successor regulations.

"Relevant Governmental Body" means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board and/or the NYFRB or a committee officially endorsed or convened by the Board and/or the NYFRB or, in each case, any successor thereto, (ii) with respect to a Benchmark Replacement in respect of Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, (iii) with respect to a Benchmark Replacement in respect of Loans denominated in Euro, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto, and (iv) with respect to a Benchmark Replacement in respect of Loans denominated in any other currency, (a) the central

bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement or (b) any working group or committee officially endorsed or convened by (1) the central bank for the currency in which such Benchmark Replacement is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement, (3) a group of those central banks or other supervisors or (4) the Financial Stability Board or any part thereof.

"Relevant Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Adjusted Term SOFR Rate, (ii) with respect to any Term Benchmark Borrowing denominated in Euro, the Adjusted EURIBO Rate or (iii) with respect to any RFR Borrowing denominated in Sterling or Dollars, the applicable Adjusted Daily Simple RFR, as applicable.

"Relevant Screen Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Term SOFR Reference Rate or (ii) with respect to any Term Benchmark Borrowing denominated in Euro, the EURIBO Screen Rate, as applicable.

"Reorganization" means, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Repayment Limitation" has the meaning set forth in [Section 2.04\(c\)](#).

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under the regulations promulgated under Section 4043 of ERISA.

"Request for Credit Extension" means with respect to a Borrowing, conversion or continuation of Revolving Loans, a Revolving Loan Notice.

"Required Lenders" means, as of any date of determination, at least two Lenders whose Voting Percentages aggregate more than 50%; provided, that to the extent that any Lender is a Defaulting Lender, such Defaulting Lender and all of its Commitments and Revolving Credit Exposure shall be excluded for purposes of determining Required Lenders; provided further, that if there is only one Lender, only the consent of that Lender shall be required.

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

"Responsible Officer" means the chief executive officer, president, a vice president, chief financial officer, treasurer or assistant treasurer of the Company. Any document delivered hereunder that is signed by a Responsible Officer of the Company shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of the Company and such Responsible Officer shall be conclusively presumed to have acted on behalf of the Company.

"Restricted Subsidiary" means any Subsidiary that is not an Unrestricted Subsidiary. For the avoidance of doubt, any Subsidiary can be both a Restricted Subsidiary and a Borrower.

"Reuters" means, as applicable, Thomson Reuters Corp., Refinitiv, or any successor thereto.

"Revolving Borrowing" means a borrowing consisting of simultaneous Revolving Loans of the same Type and having the same Interest Period made by each of the Lenders pursuant to [Section 2.01](#).

"Revolving Credit Exposure" means, with respect to any Lender at any time, the Dollar Equivalent of the outstanding principal amount of such Lender's Revolving Loans at such time.

"Revolving Loan" has the meaning set forth in [Section 2.01](#).

"Revolving Loan Notice" means a notice of (a) a Revolving Borrowing, (b) a conversion of Revolving Loans from one Type to the other, or (c) a continuation of Revolving Loans as the same Type, pursuant to [Section 2.02\(a\)](#), which, if in writing, shall be substantially in the form of [Exhibit A](#).

"RFR" means, for any RFR Loan denominated in (a) Sterling, SONIA and (b) Dollars, Daily Simple SOFR, and when used in reference to any Loan or Borrowing, means that such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the applicable Adjusted Daily Simple RFR.

"RFR Borrowing" means, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Business Day" means, for any Loan denominated in (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London and (b) Dollars, a U.S. Government Securities Business Day.

"RFR Interest Day" has the meaning specified in the definition of "Daily Simple RFR".

"RFR Loan" means a Loan that bears interest at a rate based on the Adjusted Daily Simple RFR.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sanctions" means Laws administered by the Office of Foreign Assets Control of the U.S. Department of Treasury, the United Nations Security Council, the European Union or His Majesty's Treasury that prohibit or restrict transactions or dealings with designated Persons, countries or territories, and with respect to any Borrower organized outside of the United States, any relevant comparable Laws of the jurisdiction of such Borrower's organization.

"Sanctioned Country" means a country, region or territory that is itself the subject of Sanctions (at the time of this Agreement, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means (a) a Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by the Office of Foreign Assets Control of the U.S. Department of Treasury, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the European Union or His Majesty's Treasury, or (b) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country or (iii) a Person that is organized or resident in a Sanctioned Country, to the extent such Person is the target of Sanctions.

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Securitization" means any agreement or arrangement providing for sales, transfers or conveyances to a special purpose Subsidiary or special purpose entity of accounts receivable, notes, chattel paper, other rights to payment and related property, whether or not for recourse and whether or not treated as a sale for purposes of FAS 140, but not including the sale or transfer of a single note or notes or receivable undertaken on an isolated, non-programmatic basis. For purposes hereof, the "applicable amount" of any Securitization at any time shall be equal to the greater of (a) the outstanding principal amount of any Debt at such time incurred by the Company or any Restricted Subsidiary pursuant to any such Securitization, or (b) the face amount or book value (whichever is greater) of any and all receivables, notes, chattel paper, other rights to payment and related property sold or transferred pursuant to such Securitization and outstanding at such time.

"Senior Debt Rating" means the senior debt rating assigned to the senior, unsecured long-term debt securities of the Company by either S&P, Moody's or Fitch without third-party credit enhancement, whether or not any such debt securities are actually outstanding, and any rating assigned to any other debt security of the Company shall be disregarded. The rating in effect on any date is that in

effect at the close of business on such date. At any time that such ratings are available from each of S&P, Moody's and Fitch and there is a split among such ratings, then (a) if any two of such ratings are in the same level, such level shall apply or (b) if each of such ratings is in a different level, the level that is between the levels of the other two ratings agencies shall apply. At any time that ratings are available only from any two of S&P, Moody's and Fitch and there is a split in such ratings, then the higher of such ratings shall apply, unless there is a split in ratings of more than one level, in which case the level that is one level higher than the lower rating shall apply. At any time that such rating is available from any one of S&P, Moody's or Fitch then such rating shall be the Senior Debt Rating.

"Single Employer Plan" means any plan maintained for employees of the Company or any Commonly Controlled Entity that is subject to Title IV of ERISA, but which is not a Multiemployer Plan.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the NYFRB's Website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Date" has the meaning specified in the definition of "Daily Simple SOFR".

"SOFR Rate Day" has the meaning specified in the definition of "Daily Simple SOFR".

"Solvent" and **"Solvency"** mean, with respect to the Company and its Subsidiaries (on a consolidated basis), (a) the fair value of the assets of the Company and its Subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise, (b) the present fair saleable value of the property of the Company and its Subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured, (c) the Company and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured and (d) the Company and its Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that would reasonably be expected to become an actual and matured liability.

"SONIA" means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator's Website on the immediately succeeding Business Day.

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

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

"Specified Asset Sale" means the sale or other disposition by the Company or any of its Subsidiaries of assets of the Company and its Subsidiaries (including the sale of Equity Interests of any Subsidiary or any sale or other disposition pursuant to any casualty or condemnation proceeding) that yields Net Cash Proceeds to the Company or any of its Subsidiaries in excess of \$1,000,000,000.

"Specified Debt" means (i) any indebtedness in the form of publicly issued or privately placed debt securities issued in the capital markets (including hybrid securities and debt securities convertible into equity securities) pursuant to a public registered offering or Rule 144A or other private placement and (ii) any other indebtedness for borrowed money, in each case of the foregoing clauses (i) and (ii) issued and/or incurred on or after the Closing Date by the Company or any of its Subsidiaries, but excluding (A) intercompany indebtedness among the Company and/or its Subsidiaries, (B) credit extensions or commitments under the Existing Credit Agreement (including pursuant to any increase in commitments up to \$1,000,000,000 under Section 2.15 thereof) and the Existing Loan Agreement, (C) indebtedness (x) incurred in the ordinary course of business, including obligations in respect of Capital Leases, sale lease-back transactions, synthetic leases, and other real estate finance transactions, and purchase money and equipment financings, or pursuant to existing programs or commitments or agreements of the Company and its Subsidiaries, including deferred purchase price programs, assignment or financing of government and other accounts receivable, customer and supplier related financings and factoring arrangements or (y) assumed pursuant to the Aerojet Acquisition or the Viasat Acquisition or issued or placed to fund the Aerojet Acquisition or the Viasat Acquisition, and any refinancing thereof (including, in the case of indebtedness assumed, outstanding indebtedness, whether or not convertible or exchangeable for any equity securities or other consideration, in existence at the time an entity becomes a Subsidiary of the Company as a result of the Aerojet Acquisition or the Viasat Acquisition), (D) renewals, replacements, extensions or refinancings of any of the foregoing, or any other indebtedness of the Company or any Subsidiary (so long as such Subsidiary was a Subsidiary as of the Closing Date) that mature prior to the date that is six months after the Maturity Date for substantially the same, or lesser, aggregate principal amount, (E) commercial paper issuances, (F) letters of credit and letter of credit facilities, (G) working capital facilities of foreign Subsidiaries, and (H) other indebtedness in an aggregate principal amount of up to \$500,000,000.

"Specified Equity Issuance" means the issuance of Equity Interests by the Company or any of its Subsidiaries (other than (A) issuances pursuant to employee stock plans or other benefit or employee incentive arrangements, and (B) issuances among the Company and its Subsidiaries).

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves)

expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted EURIBO Rate for eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D) or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans. Such reserve percentage shall include those imposed pursuant to Regulation D. Term Benchmark Loans for which the associated Benchmark is adjusted by reference to the Statutory Reserve Rate (per the related definition of such Benchmark) shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Sterling" and the sign "£", means the lawful currency of the United Kingdom.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Company.

"Subsidiary Borrower" means any Eligible Restricted Subsidiary that has become a Borrower pursuant to Section 2.16 and with respect to which no termination of such election has occurred.

"Subsidiary Joinder Agreement" has the meaning set forth in Section 2.16(a).

"Subsidiary Termination Agreement" has the meaning set forth in Section 2.16(b).

"Supported QFC" has the meaning assigned to it in Section 10.28.

"Synthetic Lease" means a lease transaction under which the parties intend that (a) the lease will be treated as an "operating lease" by the lessee pursuant to Accounting Standards Codification Sections 840-10 & 840-20, as amended; (b) the lessee will be entitled to various tax and other benefits ordinarily available to owners (as opposed to lessees) of like property and (c) upon the insolvency or bankruptcy of such lessee, would be characterized as the indebtedness of such lessee.

"Synthetic Lease Obligations" means, with respect to any Person, the sum of (a) all remaining rental obligations of such Person as lessee under Synthetic Leases which are attributable to principal and, without duplication and (b) all rental and purchase price payment obligations of such Person under such Synthetic Leases assuming such Person exercises the option to purchase the lease property at the end of the lease term.

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"TARGET Day" means any day on which T2 (or, if such payment system ceases to be operative, such other payment system (if any) reasonably determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other similar charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark", when used in reference to any Loan or Borrowing, means that such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted Term SOFR Rate or the Adjusted EURIBO Rate.

"Term-Out Date" has the meaning specified in Section 2.17.

"Term-Out Option" has the meaning specified in Section 2.17.

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" means, with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two (2) U.S. Government Securities

Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“Term SOFR Reference Rate” means, for any day and time (such day, the **“Term SOFR Determination Day”**), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 p.m. (New York City time) on such Term SOFR Determination Day, the **“Term SOFR Reference Rate”** for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“Threshold Amount” means \$200,000,000.

“Total Capital” means, at any date, the sum of (a) Consolidated Total Indebtedness as of such date, plus (b) Total Shareholders' Equity as of the last day of the most recently ended fiscal quarter for which the Company has or is required hereunder to have delivered its financial statements; provided that the foregoing shall give effect on a pro forma basis to any acquisition or disposition which has been consummated subsequent thereto.

“Total Shareholders' Equity” means, as of any date, the total shareholders' equity of the Company and its Subsidiaries that would be reflected on the Company's consolidated balance sheet as of such date prepared in accordance with GAAP, including without duplication the minority interest in Subsidiaries that are not wholly owned by the Company and excluding all Equity Interest in the Unrestricted Subsidiaries.

“Trade Date” has the meaning set forth in **Section 10.07(k)(i)**.

“Trading with the Enemy Act” means the Trading with the Enemy Act of the United States of America (50 U.S.C. App. §§ 1 et seq.), as amended and in effect from time to time.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted Term SOFR Rate, the Adjusted EURIBO Rate, the Adjusted Daily Simple RFR, the Base Rate or the Central Bank Rate.

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

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

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

“Unrestricted Subsidiary” means any Subsidiary of the Company designated in writing to the Administrative Agent after the Closing Date as an **“Unrestricted Subsidiary”** in accordance with **Section 10.25**.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means any Person that is a **“United States person”** as defined in Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regime” has the meaning assigned to it in **Section 10.28**.

"U.S. Tax Compliance Certificate" has the meaning set forth in [Section 3.01\(f\)\(ii\)](#).

"Viasat Acquisition" means the acquisition of assets of Viasat, Inc., a Delaware corporation, or any subsidiary of Viasat, Inc., a Delaware corporation, by the Company, pursuant to that certain Asset Purchase Agreement, dated as of October 1, 2022, by and between Viasat, Inc., a Delaware corporation, and the Company.

"Voting Percentage" means, as to any Lender, (a) at any time prior to the Commitment Termination Date, such Lender's Pro Rata Share and (b) at any time after the Commitment Termination Date, the percentage (carried out to the ninth decimal place) obtained by dividing (i) the outstanding amount of such Lender's Revolving Loans, by (ii) the Outstanding Amount of all Revolving Loans.

"Withholding Agent" means any Borrower or the Administrative Agent, as applicable.

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

1.02 Other Interpretive Provisions. With reference to this Agreement and any other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) (i) The words "herein" and "hereunder" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(ii) Article, Section, Exhibit and Schedule references are to the Loan Document in which such references appear.

(iii) The term "including" is by way of example and not limitation.

(iv) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in electronic or physical form.

(c) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(d) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) the Company shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Notwithstanding any other provision contained herein, (i) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (x) without giving effect to any election under Financial Accounting Standards Board Accounting Standards Codification Section 825 (or any other Financial Accounting Standard having a similar result or effect) to value any indebtedness or other liabilities of any Borrower or any Subsidiary of any Borrower at "fair value", as defined therein and (y) without giving effect to any treatment of indebtedness under Accounting Standards Codification 470-20 or 2015-03 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such indebtedness in a reduced or bifurcated manner as described therein, and such indebtedness shall at all times be valued at the full stated principal amount thereof and (ii) whether a lease shall be treated as operating lease and not a capital lease or finance lease will be determined in accordance with the principles set forth in the definition of Capital Lease.

1.04 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law; (c) references to any Person shall be construed to include such Person's successors and permitted assigns; and (d) all references to a specific time shall be construed to refer to the time in the city and state of the Administrative Agent's principal office, unless otherwise indicated.

1.06 Currency Translations.

(a) For purposes of this Agreement and the other Loan Documents, where the permissibility of a transaction or determinations of required actions or circumstances depend upon compliance with, or are determined by reference to, amounts stated in Dollars, such amounts shall be deemed to refer to Dollars or the Dollar Equivalent of such amount and any requisite currency translation shall be determined by the Administrative Agent as set forth herein.

(b) For purposes of all determinations of Outstanding Amounts and Required Lenders (and the components of each of them), any amount in any currency other than Dollars shall be deemed to refer to the Dollar Equivalent thereof and any requisite currency translation shall be determined by the Administrative Agent. For purposes of all calculations and determinations hereunder, and all certificates delivered hereunder, all amounts represented by such terms shall be expressed in Dollars or the Dollar Equivalent thereof.

(c) The Administrative Agent shall determine the Dollar Equivalent of any amount when required or permitted hereby, and a determination thereof by the Administrative Agent shall be conclusive absent manifest error. The Administrative Agent may, but shall not be obligated to, rely on any determination by the Company. The Administrative Agent may determine or redetermine the Dollar Equivalent of any amount on any date either in its own discretion or upon the request of the Company or any Lender, including without limitation, the Dollar Equivalent of any Loan made in an Agreed Currency other than Dollars.

(d) The Administrative Agent may set up appropriate rounding-off mechanisms or otherwise round-off amounts hereunder to the nearest higher or lower amount in whole Dollars, whole Euro, whole Sterling or whole cents or other subunits of an Agreed Currency to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole

units of the applicable Agreed Currency or in whole subunits of the applicable Agreed Currency, as may be necessary or appropriate.

1.07 Interest Rates. The interest rate on a Loan denominated in Dollars or a Foreign Currency may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 3.03(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any

existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

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

ARTICLE II. THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender severally and not jointly agrees to make loans to each Borrower in Agreed Currencies from time to time (each such loan, a "Revolving Loan") during the period from the Closing Date to the Commitment Termination Date in an aggregate principal amount not to exceed at any time outstanding such Lender's Commitment; provided, however, that after giving effect to any Borrowing, (a) the Dollar Equivalent of such Lender's Revolving Credit Exposure shall not exceed its Commitment, (b) the Dollar Equivalent of all Revolving Loans funded in Foreign Currencies shall not exceed the Foreign Currency Sublimit and (c) the aggregate amount of all Revolving Credit Exposure shall not exceed the Aggregate Commitments.

Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow under this Section 2.01, prepay under Section 2.04 and reborrow under this Section 2.01. Subject to Section 3.03, (i) Revolving Loans in Dollars may be only Base Rate Loans or Term Benchmark Loans, and (ii) Revolving Loans in Agreed Currencies other than Dollars shall be Term Benchmark Loans or RFR Loans.

2.02 Borrowings, Conversions and Continuations of Revolving Loans.

(a) Each Revolving Borrowing, each conversion of Revolving Loans from one Type to the other, and each continuation of Revolving Loans as the same Type shall be made upon the Company's irrevocable written notice to the Administrative Agent (via a written Revolving Loan Notice, appropriately completed and signed by a Responsible Officer of the Company). Each such notice must be received by the Administrative Agent not later than (w) 11:00 a.m., New York time, three (3) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Term Benchmark Loans in Dollars or of any conversion of Term Benchmark Loans in Dollars to Base Rate Loans, (x) 11:00 a.m., New York time, four (4) Business Days prior to the requested date of each Borrowing of Term Benchmark Loans in a Foreign Currency, (y) 11:00 a.m., New York time, five (5) RFR Business Days prior to the requested date of each Borrowing of RFR Loans in Sterling, or (z) 1:00 p.m., New York time, on the requested date of each Borrowing of Base Rate Loans. Each Borrowing of, conversion to or continuation of Term Benchmark Loans shall be in a principal amount of the Dollar Equivalent of \$5,000,000 or a whole multiple of the Dollar Equivalent of \$1,000,000 in excess thereof (or, if less, an aggregate principal amount equal to the remaining balance of the available applicable Commitments). Each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or, if less, an aggregate amount equal to the remaining balance of the available Commitments).

(b) Each Revolving Loan Notice shall specify

- (i) whether the Company is requesting a new Borrowing, a conversion of existing Revolving Loans from one Type to the other, or the continuation of Term Benchmark Loans for an additional Interest Period;
- (ii) the applicable Borrower;
- (iii) the principal of the Revolving Loans to be borrowed, converted or continued;
- (iv) the applicable Agreed Currency;

(v) the Type of Revolving Loans to be borrowed or as to which existing Revolving Loans are to be converted, and if applicable the Revolving Loan from which the requested Revolving Loan will be converted or continued;

(vi) the requested date of such Borrowing, conversion or continuation, which shall be a Business Day;

(vii) if the Company is requesting a new Borrowing, the location and number of the bank account of the applicable Borrower to which funds are to be disbursed;

(viii) in the case of a Borrowing in Dollars, whether such Borrowing is to be a Base Rate Borrowing or a Term Benchmark Borrowing; and

(ix) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period."

If no election as to the currency of a Borrowing is specified, then the requested Borrowing shall be made in Dollars. If the Company fails to specify a Type of Revolving Loan in a Revolving Loan Notice or if the Company fails to give a timely notice requesting a conversion or continuation, then the applicable Revolving Loans shall be made or continued as, or converted to, Base Rate Loans (after converting, if necessary, the Borrowing into Dollars using the Dollar Equivalent thereof in effect on such date). Any such automatic conversion shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term Benchmark Loans. If the Company requests a Borrowing of, conversion to, or continuation of Term Benchmark Loans in any such Revolving Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(c) Following receipt of a Revolving Loan Notice, the Administrative Agent shall promptly notify each Lender of its Pro Rata Share of the applicable Revolving Loans, and if no timely notice of a conversion or continuation is provided by the Company, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. Each Lender shall make the amount of its Revolving Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 2:00 p.m., New York time, on the Business Day specified in the applicable Revolving Loan Notice. Each Lender may, at its option, make any Revolving Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Revolving Loan; provided that any exercise of such option shall not affect in any manner the obligation of the applicable Borrower to repay such Revolving Loan in accordance with the terms of this Agreement. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall, by no later than 3:00 p.m., New York time, make all funds so received available to the applicable Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the applicable Borrower on the books of JPMorgan Chase Bank, N.A. with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to the Administrative Agent by the Company.

(d) Except as otherwise provided herein, a Term Benchmark Loan may be continued or converted only on the last day of the Interest Period for such Term Benchmark Loan. During the existence of a Default or Event of Default, no Loans may be requested as, converted to or continued as Term Benchmark Loans without the consent of the Required Lenders, and the Required Lenders may

demand that any or all of the then outstanding Term Benchmark Loans be converted to Base Rate Loans at the end of the respective Interest Periods related to such Loans.

(e) The Administrative Agent shall promptly notify the Company and the Lenders of the interest rate applicable to any Loan upon determination of such interest rate.

(f) After giving effect to all Borrowings, all conversions of Revolving Loans from one Type to the other, and all continuations of Revolving Loans as the same Type, there shall not be more than ten (10) Term Benchmark Borrowings or RFR Borrowings outstanding.

(g) Notwithstanding any contrary provision herein, this Section shall not be construed to permit any Borrower to (i) change the currency of any Borrowing, (ii) elect an Interest Period for Term Benchmark Loans if the Interest Period requested with respect thereto would end after the Maturity Date or (iii) convert any Borrowing to a Borrowing of a Type not available under such Borrowing.

2.03 [Intentionally Omitted].

2.04 Prepayments.

(a) Optional Prepayments. The Borrowers may, upon notice from the Company to the Administrative Agent, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Administrative Agent (A) not later than 11:00 a.m., New York time, three Business Days prior to any date of prepayment of any Term Benchmark Loans, (B) not later than 11:00 a.m., New York time, five RFR Business Days prior to any date of prepayment of any RFR Loans, and (C) not later than 9:00 a.m., New York time, on the date of prepayment of Base Rate Loans; (ii) any prepayment of Term Benchmark Loans or RFR Loans shall be in a principal amount of the Dollar Equivalent of \$5,000,000 or a whole multiple of the Dollar Equivalent of \$1,000,000 in excess thereof (or the remaining outstanding amount of such Loan); and (iii) any prepayment of Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or the remaining outstanding amount of such Loan), or, in the case of (ii) and (iii) if a lesser amount, the remaining principal amount of the applicable Loans in any outstanding Borrowing. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Revolving Loans to be prepaid. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of such Lender's Pro Rata Share of such prepayment. If such notice is given by the Company, the Borrowers shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Term Benchmark Loan or RFR Loan shall be accompanied by all accrued interest thereon, together with any additional amounts required pursuant to Section 3.05. Each such prepayment shall be applied to the Revolving Loans of the applicable Lenders in accordance with their respective Pro Rata Shares.

(b) Foreign Currency Fluctuation Prepayments. If at any time (i) the Revolving Credit Exposure exceeds the Aggregate Commitments then in effect, other than as a result of fluctuations in exchange rates, or (ii) solely as a result of fluctuations in currency exchange rates, the sum of the

Revolving Loans denominated in Foreign Currency as of the most recent Calculation Date exceeds 105% of the Foreign Currency Sublimit, the Borrowers shall immediately repay their respective Revolving Loans in an aggregate amount equal to such excess, together with all accrued and unpaid interest on such excess amount and any amounts due under Article III.

(c) Mandatory Prepayments and Commitment Reductions. In the event and on each occasion that any Net Cash Proceeds are received after the Closing Date by or on behalf of the Company or any of its Subsidiaries in respect of the incurrence of any Specified Debt, any Specified Equity Issuance or any Specified Asset Sale, the Company shall, within five (5) Business Days after such Net Cash Proceeds are received by the Company or any of its Subsidiaries, apply the applicable percentage set forth in the below Sections 2.04(c)(i), (ii), or (iii), as applicable, of such Net Cash Proceeds to prepay all outstanding Revolving Loans ratably, in each case accompanied by an immediate, automatic, irrevocable and permanent ratable reduction of the Commitments on a dollar-for-dollar basis in an amount equal to the amount of such excess Net Cash Proceeds, it being understood and agreed that to the extent any excess Net Cash Proceeds remain after any such required prepayment of the outstanding Revolving Loans (for the avoidance of doubt, including if no Revolving Loans are outstanding at the time of such required application of such Net Cash Proceeds such that all such Net Cash Proceeds are "excess" Net Cash Proceeds when compared to the outstanding Revolving Loans at such time), there shall be an immediate, automatic, irrevocable and permanent ratable reduction of the Commitments on a dollar-for-dollar basis in an amount equal to the amount of such excess Net Cash Proceeds:

(i) 100% of the Net Cash Proceeds in respect of any incurrence of any Specified Debt; provided that no prepayment or reduction of the Commitments under this Section 2.04(c) in respect of the Net Cash Proceeds received in respect of any incurrence of any Specified Debt shall be required if, and solely to the extent that at the time of the receipt of such Net Cash Proceeds by the Company, such Net Cash Proceeds from the incurrence of such Specified Debt are required to be applied to prepay the "Term Loans" or to reduce the "Term Loan Commitments" (in each case as defined in the Existing Loan Agreement) pursuant to Section 2.04(b) of the Existing Loan Agreement;

(ii) 100% of the Net Cash Proceeds in respect of any Specified Equity Issuance; and

(iii) 50% of the Net Cash Proceeds in respect of any Specified Asset Sale; provided that, if the Company shall deliver to the Administrative Agent a certificate of a Responsible Officer certifying (x) that the Company or its relevant Subsidiaries intend to apply the Net Cash Proceeds from such Specified Asset Sale (or a portion thereof specified in such certificate), within 180 days after receipt of such Net Cash Proceeds, to consummate an Acquisition and the aggregate consideration paid or to be paid in respect of such Acquisition exceeds \$1,000,000,000 and (y) that no Default or Event of Default has occurred and is continuing, then no prepayment or reduction of the Commitments under this Section 2.04(c) in respect of such Net Cash Proceeds received in respect of

any Specified Asset Sale specified in such certificate shall be required; providedfurther that to the extent of any such Net Cash Proceeds therefrom that have not been so applied by

the end of such 180-day period, at which time a prepayment and reduction of Commitments shall be required in an amount equal to such Net Cash Proceeds that have not been so applied.

In respect of all prepayments under this Section 2.04(c), the Company shall provide prior written notice to the Administrative Agent regarding (x) each mandatory prepayment at the same time and day as would be required in respect of an optional prepayment made pursuant to Section 2.04(a) and (y) each commitment reduction at the same time and day as would be required in respect of a commitment reduction made pursuant to Section 2.05(b).

If the Net Cash Proceeds in respect of a Specified Asset Sale are received by a Foreign Subsidiary of the Company or any other Subsidiary of such Foreign Subsidiary, the prepayment of the of the outstanding Revolving Loans and the reduction of the Commitments required by this Section 2.04(c) in respect of such Net Cash Proceeds shall only be required to the extent that (i) such Net Cash Proceeds can be promptly transferred to the Company without material adverse tax consequences to Company and any of its Subsidiaries and (ii) such transfer would not be prohibited or restricted by applicable law, rule or regulation or contract or the organizational documents of such Foreign Subsidiary (in the case of clauses (i) and (ii), as reasonably determined by the Company in good faith) (each, a "Repayment Limitation"); it being understood that if such Repayment Limitation exists, upon such Repayment Limitation ceasing to apply, the Commitments will be immediately reduced and the Revolving Loans will be prepaid within five (5) Business Days thereof, in the manner set forth above as if such Net Cash Proceeds were received by the Company on the date such Repayment Limitation ceased to exist.

2.05 Optional Reduction or Termination of Commitments. The Company may, at any time and from time to time upon notice to the Administrative Agent, terminate the Commitments, or permanently reduce the Commitments to an amount not less than the Revolving Credit Exposure; provided that (a) the Borrowers shall not be obligated to pay any amount as a penalty in connection with any such reduction or termination of the Commitments, except as required by Section 3.05 due to any repayment of Loans arising from such reduction or termination, (b) any such notice shall be received by the Administrative Agent not later than 11:00 a.m., New York time, three Business Days prior to the date of termination or reduction, and (c) any such partial reduction shall be in an aggregate amount of \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof. Such notice of termination or reduction may be conditioned on the effectiveness of other credit facilities, an acquisition, investment, Change of Control or any other financing or sale transaction. The Administrative Agent shall promptly notify the Lenders of any such notice of reduction or termination of the Commitments. Once reduced or terminated in accordance with this Section 2.05, the Commitments may not be increased. Any reduction of the Commitments shall be applied to the Commitment of each Lender according to its Pro Rata Share. All commitment fees accrued until the effective date of any termination of the Commitments shall be paid on the effective date of such termination. Any such reduction in the Commitments below the Foreign Currency Sublimit shall result in a dollar for dollar reduction in the Foreign Currency Sublimit. The Commitment of a Lender may also be terminated under the provisions of Section 10.15.

2.06 Repayment of Loans.

(a) Each of the Borrowers shall repay to the Lenders on the Maturity Date the aggregate principal amount of all of its Revolving Loans then outstanding.

2.07 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Term Benchmark Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Adjusted Term SOFR Rate or the Adjusted EURIBO Rate, as applicable, for such Interest Period plus the Applicable Rate for Term Benchmark Loans; (ii) each RFR Loan shall bear interest on the outstanding principal amount thereof at a rate per annum equal to the applicable Adjusted Daily Simple RFR plus the Applicable Rate for RFR Loans; and (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans.

(b) If any Event of Default exists under clause (a) of Article VIII or after acceleration, each of the Borrowers shall, and for all other Events of Default shall at the option of the Required Lenders, pay interest on the principal amount of all of its outstanding Obligations at a fluctuating interest rate per annum at all times equal to the Default Rate applicable thereto to the fullest extent permitted by applicable Law. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) [Intentionally Omitted].

(d) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(e) For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or any fee to be paid hereunder or in connection herewith by a Canadian Borrower is to be calculated on the basis of a 360-, 365- or 366-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360, 365 or 366, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

(f) If any provision of this Agreement would oblige a Canadian Borrower to make any payment of interest or other amount payable to any holder of Obligations in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by that holder of Obligations of "interest" at a "criminal rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by that holder of Obligations of "interest" at a

"criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:

(i) first, by reducing the amount or rate of interest; and

(ii) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).

2.08 Fees.

(a) Commitment Fee. The Company shall pay in Dollars to the Administrative Agent for the account of each Lender in accordance with its Pro Rata Share of all Commitments, an unused commitment fee, which shall accrue during the period beginning on the Closing Date through the Commitment Termination Date at the Applicable Rate set forth under the column "Applicable Rate for Commitment Fee" multiplied by the actual daily amount of the unused Commitment of such Lender during such period. For purposes of computing commitment fees with respect to the Commitments, the Commitment of each Lender shall be deemed used to the extent of the outstanding Revolving Loans of such Lender. Accrued commitment fees shall be payable quarterly in arrears on the fifteenth day following the last Business Day of each March, June, September and December, commencing with the first such last Business Day that occurs after the Closing Date, and on the Commitment Termination Date. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. The commitment fee shall accrue at all times, including at any time during which one or more of the conditions in Article IV is not met.

(b) Fee Letter. The Company shall pay in Dollars to the applicable Arrangers the fees set forth in the applicable Fee Letter, for its own account in the amounts and at the times specified in the applicable Fee Letter. Such fees shall be fully earned when paid and shall be nonrefundable for any reason whatsoever.

(c) [Intentionally Omitted].

(d) Term-Out Fee. In the event the Company elects to exercise the Term-Out Option under Section 2.17, then, on the Commitment Termination Date, the Company agrees to pay to the Administrative Agent, for the account of each Lender, a term-out fee equal to 0.75% of the aggregate principal amount of the outstanding Revolving Loans in respect of which the Maturity Date is being extended pursuant to the exercise of the Term-Out Option in accordance with Section 2.17 on the Term-Out Date.

(e) Anything herein to the contrary notwithstanding, during such period as a Lender is a Defaulting Lender, such Defaulting Lender will not be entitled to commitment fees accruing with respect to its Commitment during such period pursuant to subsection (a) of this Section (without prejudice to the rights of the Lenders other than Defaulting Lenders in respect of such fees). The *pro rata* payment

provisions of Section 2.12 shall automatically be deemed adjusted to reflect the provisions of this subsection.

2.09 Computation of Interest and Fees. All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Daily Simple RFR with respect to Sterling or the Base Rate only at times when the Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year). In each case interest shall be payable for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. A determination of the applicable Base Rate, Adjusted Term SOFR Rate, Term SOFR Rate, Adjusted EURIBO Rate, EURIBO Rate, Adjusted Daily Simple RFR or Daily Simple RFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

2.10 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect to the Revolving Credit Exposure. The accounts and records maintained by the Administrative Agent shall be treated as part of the Register. In the event of any inconsistency between the Register and any Lender's records, the records as in the Register shall govern.

(b) [Intentionally Omitted].

(c) This Agreement evidences the obligation of the Borrowers to repay the Loans and is being executed as a "noteless" credit agreement. However, at the request of any Lender at any time, the Borrowers agree that they will prepare, execute and deliver to such Lender a promissory note for each Commitment of such Lender payable to such Lender and its registered assigns and in a form approved by the Company and the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment permitted hereunder) be represented by one or more promissory notes in such form payable to the payee named therein and its registered assigns.

2.11 Payments Generally.

(a) All payments to be made by the Borrowers shall be made in the applicable Agreed Currency without condition or deduction for any counterclaim, defense, recoupment or set-off. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in immediately available funds not later than 2:00 p.m. on the date

specified herein. The Administrative Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m., New York time, shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any Borrower does not, or is unable for any reason to, effect payment of a Loan to the Lenders in the Agreed Currency or if any Borrower shall default in the payment when due of any payment in such Agreed Currency, the Lenders may, at their option, require such payment to be made to the Lenders in the Dollar Equivalent of such Agreed Currency determined in accordance with Section 10.22. With respect to any amount due and payable in Agreed Currency other than Dollars, the Company shall, or shall cause the applicable Borrower to, hold the Lenders harmless from any losses, if any, that are incurred by the Lenders arising from any change in the value of Dollars in relation to such Agreed Currency between the date such payment became due and the date of payment thereof (other than losses incurred by any Lender due to the gross negligence or willful misconduct of such Lender as determined by a court of competent jurisdiction in a final non-appealable order).

(b) Subject to the definition of "Interest Period," if any payment to be made by the Borrowers shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case maybe.

(c) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, to the Administrative Agent's fees and reimbursable expenses (including Attorney Costs and amounts payable under Article III) then due and payable pursuant to any of the Loan Documents; (ii) second, to all reimbursable expenses of the Lenders then due and payable pursuant to any of the Loan Documents, pro rata to the Lenders based on their respective pro rata shares of such fees and expenses; (iii) third, to interest and fees then due and payable hereunder, pro rata to the Lenders based on their respective

pro rata shares of such interest and fees; and (iv) fourth, to the payment of principal of the Loans then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(d) Unless the Company or any Lender has notified the Administrative Agent prior to the date any payment is required to be made by it to the Administrative Agent hereunder, that the applicable Borrower or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the applicable Borrower, the Company or such Lender, as the case may be, has timely made such payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in immediately available funds, then:

(i) if the applicable Borrower failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in immediately available funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent

to such Lender to the date such amount is repaid to the Administrative Agent in the applicable Agreed Currency in immediately available funds, at the applicable Overnight Rate; and

(ii) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in the applicable Agreed Currency in immediately available funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the applicable Borrower to the date such amount is recovered by the Administrative Agent (the "Compensation Period") at the greater of the applicable Overnight Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, or in the case of Foreign Currencies, in accordance with such market practice, in each case, as applicable. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in the applicable Borrowing. If such Lender does not pay such amount within two Business Days after the Administrative Agent's demand therefor, the Administrative Agent may make a demand therefor upon the applicable Borrower, and the applicable Borrower shall pay such amount to the Administrative Agent, together with interest thereon for the Compensation Period at a rate per annum equal to the rate of interest applicable to the applicable Borrowing. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which the Administrative Agent or any Borrower may have against any Lender as a result of any default by such Lender hereunder.

A notice of the Administrative Agent to any Lender with respect to any amount owing under this subsection (d) shall be conclusive, absent manifest error.

(e) If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(f) The obligations of the Lenders hereunder to make Revolving Loans are several and not joint. The failure of any Lender to make any Revolving Loan on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Revolving Loan.

(g) Subject to Section 3.09, nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.12 Sharing of Payments. If, other than as expressly provided elsewhere herein, any Lender shall obtain on account of any Revolving Loans made by it any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact, and (b) purchase from the other Lenders such participations in the Revolving Loans made by them as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Loans or such participations, as the case may be, pro rata with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender, such purchase shall to that extent be

rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrowers agree that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off, but subject to Section 10.09) with respect to such participation as fully as if such Lender were the direct creditor of the Borrowers in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.12 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased.

2.13 [Intentionally Omitted].

2.14 [Intentionally Omitted].

2.15 [Intentionally Omitted].

2.16 SubsidiaryBorrowers.

(a) Upon not less than five (5) Business Days' notice, any Eligible Restricted Subsidiary may become a Subsidiary Borrower hereunder by delivering to the Administrative Agent a supplement or joinder in form and substance reasonably satisfactory to the Administrative Agent executed by such Restricted Subsidiary and the Company (a "Subsidiary Joinder Agreement"), setting forth the agreement of such Restricted Subsidiary to become a party to this Agreement as a Subsidiary Borrower and to be bound by all the terms and provisions hereof, and such evidence of appropriate corporate authorization on the part of such Eligible Restricted Subsidiary and such opinions of counsel for such Eligible Restricted Subsidiary as the Administrative Agent may reasonably request; provided, however, it shall be a condition to the effectiveness of such Eligible Restricted Subsidiary becoming a Subsidiary Borrower hereunder that after giving effect to such Subsidiary Joinder Agreement, (i) the representations and warranties of the Borrowers contained in Article V (but excluding the representation set forth in Section 5.05(b)) or in any other Loan Document shall be true and correct in all material respects, (ii) no

Default or Event of Default shall exist, or would result therefrom and (iii) if such joinder obligates the Administrative Agent or any Lender to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall have supplied such documentation and other evidence as is reasonably requested by the Administrative Agent or any Lender in order for the Administrative Agent or such Lender to carry out and be satisfied it has complied with the results of all necessary "know your customer" or other similar checks under all applicable laws and regulations (including, without limitation, delivery of a Beneficial Ownership Certification in relation to such Subsidiary Borrower), and such compliance has been confirmed.

(b) The eligibility of any Subsidiary Borrower to continue to borrow under this Agreement shall terminate when the Administrative Agent receives an election to terminate an Eligible Restricted Subsidiary's status as a Subsidiary Borrower, in form and substance satisfactory to the Administrative Agent (the "Subsidiary Termination Agreement"). The delivery of a Subsidiary Termination Agreement shall not affect any obligation of such Subsidiary Borrower hereunder incurred prior to delivery of such Subsidiary Termination Agreement.

(c) Each Subsidiary Joinder Agreement delivered to the Administrative Agent shall be duly executed on behalf of the relevant Eligible Restricted Subsidiary and the Company, and each Subsidiary Termination Agreement delivered to the Administrative Agent shall be duly executed on behalf of the Company, in such number of copies as the Administrative Agent may request. The Administrative Agent shall promptly give notice to the Lenders of its receipt of any Subsidiary Joinder Agreement or Subsidiary Termination Agreement and provide a copy of each such Subsidiary Joinder Agreement and Subsidiary Termination Agreement to each Lender.

(d) If the Company shall deliver a Subsidiary Joinder Agreement with respect to any Subsidiary not organized under the laws of the United States or any State thereof, any Lender may, with notice to the Administrative Agent and the Company, make any Loan available to such Subsidiary by causing an Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of such Subsidiary to repay such Loan in accordance with the terms of this Agreement.

(e) If (i) the Company delivers a Subsidiary Termination Agreement with respect to a Subsidiary Borrower, (ii) a Subsidiary Borrower at any time ceases to be an Eligible Restricted Subsidiary or (iii) an Event of Default specified in clause (f) of Article VIII occurs with

respect to a Subsidiary Borrower:

- (x) the Lenders will have no obligation to make any further Loans to such Subsidiary Borrower, and
- (y) the Company will inform each Lender of the relevant event described in clause (ii) or (iii) of this subsection (e) within three Business Days after such event occurs and:
 - (1) to the extent the relevant event is an event described in clause (ii) of this subsection (e) resulting from the Company no longer owning, directly or indirectly, more than

51% of the ordinary voting and economic power of such Subsidiary Borrower, then within three Business Days after such event, the Company will expressly assume the outstanding Revolving Credit Exposure of such Subsidiary Borrower (including accrued and unpaid interest and feesthereon) pursuant to documentation in form and substance reasonably acceptable to the Administrative Agent; and

(2) to the extent the relevant event is any other event described in clauses (i), (ii), or (iii) of this subsection (e), then within 30 days after being requested to do so by any Lender, the Company will expressly assume the outstanding Revolving Credit Exposure of such Subsidiary Borrower (including accrued and unpaid interest and feesthereon) pursuant to documentation in form and substance reasonably acceptable to the Administrative Agent.

For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, no Subsidiary may be or become a Subsidiary Borrower without the prior written consent of the Administrative Agent and each Lender.

2.17 Term-Out Option. The Company may, by irrevocable written notice to the Administrative Agent given not fewer than ten (10) Business Days prior to the Commitment Termination Date, elect (such election, the “Term-Out Option”), effective as of the Commitment Termination Date (the “Term-Out Date”), to extend the Maturity Date for all Revolving Loans outstanding on such date to the first anniversary of the Commitment Termination Date; provided that such extension of the Maturity Date shall become effective only if, on the Term-Out Date, (a) there exists no Default or Event of Default, (b) the representations and warranties of the Borrowers contained in Article V (but excluding the representation set forth in Section 5.05(b)) are true and correct in all material respects (other than those representations and warranties that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties shall be true and correct in all respects) on and as of Term-Out Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, (c) the Company has paid the term-out fee to the Administrative Agent for the account of each Lender pursuant to Section 2.08(d) and (d) the Company shall not have previously exercised the Term-Out Option. In the event the Maturity Date shall be so extended, (i) all Revolving Loans that are outstanding on the Commitment Termination Date shall continue as Revolving Loans following such date, (ii) all of the Commitments will terminate on the Term-Out Date, and (iii) the Company may not borrow or reborrow any additional Revolving Loans on or after such date. The notice by the Company under this Section 2.17 shall be deemed to constitute a representation and warranty by the Company as to the matters specified in clauses (a) and (b) above as of the Commitment Termination Date.

ARTICLE III. **TAXES, YIELD PROTECTION AND ILLEGALITY**

3.01 Taxes.

- (a) For purposes of this Section 3.01, the term “applicable law” includes FATCA.
- (b) Any and all payments by or on account of any obligation of any Borrower hereunder or under any other Loan Document shall be made without deduction or withholding for any Taxes; provided that if any applicable law requires the deduction or withholding of any Tax from any such payment, then the applicable Withholding Agent shall make such deduction or withholding and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by such Borrower shall be increased as necessary so that after making all required deductions and withholdings (including deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient shall receive an amount equal to the sum it would have received had no such deductions or withholdings been made.
- (c) In addition, without limiting the provisions of subsection (b) of this Section but without duplication, the Borrowers 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 OtherTaxes, including without limitation, Florida documentary stamp tax in respect of any promissory note provided to a requesting Lender pursuant to Section 2.10(c).

(d) The Borrowers shall, without duplication, jointly and severally indemnify each Recipient, within thirty (30) Business Days after written demand therefor, for the full amount of any (i) Indemnified Taxes paid or payable by such Recipient or required to be withheld or deducted from a payment to such Recipient (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) and (ii) 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. In the event that such Indemnified Taxes referred to in clause (i) shall exceed \$100,000, the Recipient subject to such Indemnified Taxes shall (x) notify the Company of such imposition or assertion and (y) the Company, solely at its own expense, may cause such Recipient to contest the imposition or assertion of such Indemnified Taxes as to which there exists no reasonable basis. The respective Borrowers shall fully indemnify such Recipient for all costs (including any liabilities, penalties, interest and expenses) incurred by such Recipient in connection with any such contest. Nothing contained in this subsection (A) obligates the Administrative Agent or any Lender (or any of their respective Affiliates) to disclose to any Borrower any of its tax records or materials relating thereto, (B) shall interfere with the right of the Administrative Agent or any Lender (or any of their respective Affiliates) to arrange its taxation and financial affairs in whatever manner it deems appropriate, (C) obligates the Administrative Agent or any Lender (or any of their respective Affiliates) to claim relief from taxation on its corporate profits or, subject to clause (y) above, to claim any credits, deductions or other relief otherwise available to it with respect to its tax affairs, or (D) obligates such Lender or Administrative Agent, in its reasonable determination, to take any action that would subject it to any material unreimbursed cost or expense or materially prejudice its legal or commercial position. Payment under this subsection (d) shall be made within 30 days after the date the Lender or the Administrative Agent makes a written demand therefor. A certificate as to the amount of such payment or liability delivered to the Company by the applicable Recipient (with a copy to the Administrative Agent in the case of a Recipient other than the Administrative Agent), setting forth in reasonable detail the nature and amount of such Indemnified Taxes, shall be conclusive, absent manifest error.

(e) As soon as practicable after any payment of Taxes pursuant to this Section 3.01 by any Borrower to a Governmental Authority, such Borrower shall deliver to the Administrative Agent an 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) TaxForms.

(i) Any Recipient that is a U.S. Person shall deliver to the Company and the Administrative Agent, on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), duly executed copies of IRS Form W-9 certifying, to the extent such Recipient is legally entitled to do so, that such Recipient is exempt from U.S. federal backup withholding tax.

(ii) Any Recipient that is a Foreign Person and that is entitled to an exemption from or reduction of withholding tax under the Code or any treaty to which the United States is a party with respect to payments under this Agreement shall deliver to the Company and the Administrative Agent, at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Company or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. Without limiting the generality of the foregoing, each Recipient that is a Foreign Person shall, to the extent it is legally entitled to do so, (w) on or prior to the date such Recipient becomes a Recipient under this Agreement, (x) on or prior to the date on which any such form or certification expires or becomes obsolete, (y) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this subsection, and (z) from time to time upon the reasonable request by the Company or the Administrative Agent, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the Company or the Administrative Agent), whichever of the following is applicable:

(A) if such Recipient is claiming eligibility for benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, duly completed and executed copies of IRS Form W-8BEN, IRS Form W-8BEN-E or any successor form thereto, 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 Loan Document, duly completed and executed copies of IRS Form W-8BEN, IRS Form W-8BEN-E or any successor form thereto, 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;

(B) duly completed and executed copies of IRS Form W-8ECI, or any successor form thereto, certifying that the payments received by such Recipient are effectively connected with such Recipient's conduct of a trade or business in the United States;

(C) if such Recipient is claiming the benefits of the exemption for portfolio interest under Section 871(h) or Section 881(c) of the Code, duly completed and executed copies of IRS Form W-8BEN, IRS Form W-8BEN-E or any successor form thereto, together with a certificate, substantially in the form of Exhibit F-1 (a "U.S. Tax Compliance Certificate") upon which such Recipient certifies that (1) such Recipient is not a bank for purposes of Section 881(c)(3)(A) of the Code, (2) such Recipient is not a 10% shareholder of any Borrower within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the Code, (3) such Recipient is not a controlled foreign corporation that is related to any Borrower within the meaning of Section 881(c)(3)(C) of the Code, and (4) the interest payments in question are not effectively connected with a U.S. trade or business conducted by such Recipient; or

(D) if such Recipient is not the beneficial owner of any amount payable to such Recipient pursuant to any Loan Document, duly completed and executed copies of IRS Form W-8IMY, or any successor form thereto, accompanied by IRS Form W-9, IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E or any successor form thereto, a U.S. Tax Compliance Certificate, substantially in the form of Exhibit F-2 or Exhibit F-3, and/or other certification documents from each beneficial owner, as applicable; provided that if such Recipient is a partnership and one or more direct or indirect partners of such Recipient are claiming the portfolio interest exemption, such Recipient may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 on behalf of each such direct and indirect partner.

(iii) Each Recipient shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the Company or the Administrative Agent) on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of any 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 or form instructions to permit any Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(iv) Each Recipient agrees that if any form or certification it previously delivered under this Section 3.01 expires or becomes obsolete or inaccurate in any respect and such Recipient is not legally entitled to provide an updated form or certification, it shall promptly notify the Company and the Administrative Agent of its inability to update such form or certification.

(g) If a payment made to a Recipient under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Recipient 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 Recipient shall deliver to the Company and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Company or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Company or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA, to determine that such Recipient has complied with such Recipient's obligations under FATCA, and (if applicable) to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 3.01(g), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) 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 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (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 (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) 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.

3.02 Illegality. If any Change in Law shall, after the date hereof, make it unlawful, or if any Governmental Authority asserts that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Term Benchmark Loans or RFR Loans or to fund any Loans in any Foreign Currency, or if any such circumstance materially restricts the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the applicable offshore Dollar market, or to determine or charge interest rates based upon the Adjusted Term SOFR Rate, the Adjusted EURIBO Rate or the applicable Adjusted

Daily Simple RFR, as applicable, then, on notice thereof by such Lender to the Company through the Administrative Agent, any obligation of such Lender to make or continue affected Loans or to convert Base Rate Loans to affected Term Benchmark Loans shall be suspended until such Lender notifies the Administrative Agent and the Company that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrowers shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, (i) convert all Term Benchmark Loans of such Lender to Base Rate Loans in Dollars (in an amount equal to the Dollar Equivalent of such affected Agreed Currency), either on the last day of the Interest Period thereof, if such Lender may lawfully continue to maintain such Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans or (ii) convert all RFR Loans of such Lender to Base Rate Loans in Dollars (in an amount equal to the Dollar Equivalent of such affected Agreed Currency), either on the next Interest Payment Date therefor, if such Lender may lawfully continue to maintain such RFR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such RFR Loans. Upon any such prepayment or conversion, the Borrowers shall also pay interest on the amount so prepaid or converted. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

3.03 Inability to Determine Rates.

(a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 3.03, if:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Adjusted EURIBO Rate (including because the Relevant Screen Rate is not available or published on a current basis) for the applicable Agreed Currency and such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple RFR for the applicable Agreed Currency; or

(ii) the Administrative Agent is advised by the Required Lenders that (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate or the Adjusted EURIBO Rate for the applicable Agreed Currency and such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for the applicable Agreed Currency and such Interest Period or (B) at any time, the applicable Adjusted Daily Simple RFR for the applicable Agreed Currency will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for the applicable Agreed Currency;

then the Administrative Agent shall give notice thereof to the Company and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until (x) the Administrative Agent notifies the Company and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the applicable Borrower delivers a new Revolving Loan

Notice in accordance with the terms of Section 2.02, (A) for Loans denominated in Dollars, any Revolving Loan Notice that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Term Benchmark Borrowing and any Revolving Loan Notice that requests a Term Benchmark Revolving Borrowing shall instead be deemed to be a Revolving Loan Notice for (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 3.03(a)(i) or (ii) above or (y) a Base Rate Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings also is the subject of Section 3.03(a)(i) or (ii) above and (B) for Loans denominated in a Foreign Currency, any Revolving Loan Notice that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Term Benchmark Borrowing and any Revolving Loan Notice that requests a Term Benchmark Borrowing or an RFR Borrowing, in each case, for the relevant Benchmark, shall be ineffective; provided that if the circumstances giving rise to such notice affect only one Type of Borrowing, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan or RFR Loan in any Agreed

Currency is outstanding on the date of the Company's receipt of the notice from the Administrative Agent referred to in this Section 3.03(a) with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the Administrative Agent notifies the Company and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the applicable Borrower delivers a new Revolving Loan Notice in accordance with the terms of Section 2.02, (A) for Loans denominated in Dollars, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan, be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 3.03(a)(i), or (ii) above or (y) a Base Rate Loan if the Adjusted Daily Simple RFR for Dollar Borrowings also is the subject of Section 3.03(a)(i) or (ii) above, on such day and (B) for Loans denominated in a Foreign Currency, (1) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan bear interest at the Central Bank Rate for the applicable Foreign Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Foreign Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in such Foreign Currency shall, at the Company's election prior to such day: (A) be prepaid by the applicable Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in such Foreign Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time and (2) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Foreign Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Foreign Currency cannot be determined, any outstanding affected RFR Loans denominated in any Foreign Currency, at the Company's election, shall either (A) be converted into Base Rate Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Foreign Currency) immediately or (B) be prepaid in full immediately.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark

Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" with respect to Dollars for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" with respect to any Agreed Currency for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m., New York City time, on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

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

(d) The Administrative Agent will promptly notify the Company and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.03, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.03.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate or the EURIBO Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then

the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer,

subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Company's receipt of notice of the commencement of a Benchmark Unavailability Period, the applicable Borrower may revoke any request for (i) a Term Benchmark Borrowing, conversion to or continuation of Term Benchmark Loans to be made, converted or continued or (ii) a RFR Borrowing or conversion to RFR Loans, during any Benchmark Unavailability Period and, failing that, either (x) such Borrower will be deemed to have converted any request for a Term Benchmark Borrowing or RFR Borrowing, as applicable, denominated in Dollars into a request for a Borrowing of or conversion to (A) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (B) a Base Rate Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event or (y) any Term Benchmark Borrowing or RFR Borrowing denominated in a Foreign Currency shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate. Furthermore, if any Term Benchmark Loan or RFR Loan in any Agreed Currency is outstanding on the date of the Company's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 3.03, (A) for Loans denominated in Dollars any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan, be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (y) a Base Rate Loan if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event, on such day and (B) for Loans denominated in a Foreign Currency, (1) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan bear interest at the Central Bank Rate for the applicable Foreign Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Foreign Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Foreign Currency shall, at the Company's election prior to such day: (A) be prepaid by the applicable Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Foreign Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time and (2) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Foreign Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Foreign Currency cannot be determined, any outstanding affected RFR Loans denominated in any Foreign Currency, at the Company's election, shall either (A) be converted into Base Rate Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Foreign Currency) immediately or (B) be prepaid in full immediately.

3.04 Increased Cost and Reduced Return; Capital Adequacy Reserves on Loans.

(a) If any Lender determines that as a result of a Change in Law there shall be any increase in the cost to such Lender of agreeing to make or making, funding, converting, continuing into or maintaining Loans, a reduction in the amount received or receivable by such Lender in connection with any of the foregoing (excluding for purposes of this subsection (a) any such increased costs or reduction in amount resulting from (i) Indemnified Taxes (as to which Section 3.01 shall govern), (ii) Excluded Taxes, and (iii) reserve requirements contemplated by Section 3.04(c)), then from time to time upon demand of such Lender (with a copy of such demand to the Administrative Agent), the Borrowers shall pay to such Lender such additional amounts as will compensate such Lender for such increased cost or reduction.

(b) If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's Parent Company, if any, regarding capital or liquidity requirements, has the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's Parent Company, if any, as a consequence of such Lender's obligations hereunder to a level below that which such Lender or such Lender's Parent Company would have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's Parent Company with respect to capital adequacy or liquidity), then from time to time upon demand of such Lender (with a copy of such demand to the Administrative Agent), the Company shall, or shall cause the applicable Borrower to, pay to such Lender, as the case

may be, such additional amounts as will compensate such Lender or such Lender's Parent Company for any such reduction suffered with respect to its Obligations.

(c) The Company shall, or shall cause the applicable Borrower to, pay to each Lender, as long as such Lender shall be required pursuant to regulations issued by any central bank, monetary authority, the Board, the European Central Bank or any other Governmental Authority of the United States or of the jurisdiction of such currency or any jurisdiction in which Loans in such currency are made to which banks in such jurisdiction are subject for any category of deposits or liabilities customarily used to fund loans in such currency or by reference to which interest rates applicable to loans in such currency are determined to maintain reserves (including, without limitation, any emergency, supplemental, special or other marginal reserves) with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities" under Regulation D), additional costs on the unpaid principal amount of each Loan to such Borrower equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive) (but excluding any such costs arising from changes in the Statutory Reserve Rate), which shall be due and payable on each date on which interest is payable on such Loan, provided that the Company shall have received at least 15 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 15 days prior to the relevant Interest Payment Date, such additional interest shall be due and payable 15 days from receipt of such notice.

3.05 Funding Losses.

(a) With respect to Term Benchmark Loans, in the event of (i) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (ii) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.05 and is revoked in accordance therewith or otherwise), (iv) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Company pursuant to Section 3.06(b) or 10.15 or (v) the failure by any Borrower to make any payment of any Loan (or interest due thereon) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the applicable Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth the computation in reasonable detail of any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the applicable Borrower contemporaneously with the demand for payment and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(b) With respect to RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.05 and is revoked in accordance therewith or otherwise), (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Company pursuant to Section 3.06(b) or 10.15 or (iv) the failure by any Borrower to make any payment of any Loan (or interest due thereon) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the applicable Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth the computation in reasonable detail of any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the applicable Borrower contemporaneously with the demand for payment and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

3.06 Matters Applicable to all Requests for Compensation.

(a) A certificate of the Administrative Agent or any Lender claiming compensation under this Article III and setting forth in reasonable detail the basis for computing the additional amount or amounts to be paid to it hereunder shall be provided to the Company and shall be conclusive in the absence of manifest error. In determining such amount, the Administrative Agent or such Lender may use any reasonable averaging and attribution methods.

(b) Upon any Lender's making a claim for compensation under Section 3.01, 3.04 or 3.07, the Company may remove or replace such Lender in accordance with Section 10.15.

3.07 Additional Interest Costs.

(a) **Additional Interest.** If and so long as any Lender is required to comply with reserve asset ratios, liquidity, cash margin or other requirements of any monetary or other authority (including any such requirement imposed by the Bank of England or the European Central Bank or the European System of Central Banks, but excluding requirements reflected in the Statutory Reserve Rate) in respect of any of such Lender's Loans in any currency other than Dollars, such Lender may require the Company to pay, or cause the applicable Borrower to pay, contemporaneously with each payment of interest on each of such Loans subject to such requirements, additional interest on such Loan at a rate per annum specified by such Lender to be the cost to such Lender of complying with such requirements in relation to such Loan.

(b) **Determination of Amounts Due.** Any additional interest owed pursuant to subsection (a) above shall be determined by the relevant Lender and notified to the Company (with a copy to the Administrative Agent) in the form of a certificate setting forth such additional interest at least five Business Days before each date on which interest is payable for the relevant Loan (which determination shall be made in good faith (and not on an arbitrary or capricious basis) and consistent with similarly situated customers of the applicable Lender under agreements having provisions similar to this Section 3.07 after consideration of such factors as such Lender then reasonably determines to be relevant), and such additional interest so notified to the Company by such Lender shall be payable to the Administrative Agent for the account of such Lender on each date on which interest is payable for such Loan.

(c) **Limitation on Amounts Due.** Subject to Section 3.09(b), failure or delay on the part of any Lender on any occasion to demand additional interest pursuant to this Section shall not constitute a waiver of such Lender's right to demand such additional interest on any subsequent occasion.

3.08 Survival. All of the Borrowers' obligations (and each Lenders' and the Administrative Agent's obligation of notice) under this Article III shall survive termination of the Commitments and payment in full of all the other Obligations.

3.09 Change in Lending Office; Limitation on Increased Costs.

(a) Each Lender agrees that it will use reasonable efforts to designate an alternate Lending Office with respect to any of its Loans affected by the matters or circumstances described in Sections 3.01, 3.02, 3.04 or 3.07 to reduce the liability of the Borrowers or avoid the results provided thereunder, so long as such designation is not disadvantageous to such Lender as determined by such Lender in its sole discretion; provided that nothing in this Section 3.09 shall affect or postpone any of the obligations of any Borrower or the right of any Lender provided in such Sections.

(b) Notwithstanding Section 3.04, Section 3.06 or Section 3.07, the Borrowers shall only be obligated to compensate the Lenders for amounts arising under Section 3.04, Section 3.06 or Section 3.07 to the extent such amounts arose during (i) any time or period commencing not more than 120 days prior to the date on which such Lender notifies the Administrative Agent and the Company that such Lender proposes to demand compensation under Section 3.04, Section 3.06 or Section 3.07 and (ii)

any time or period during which, because of the unannounced retroactive application of any statute, regulation or other basis, such Lender could not have known that such amount might arise or accrue.

3.10 Defaulting Lenders.

(a) If the Borrowers and the Administrative Agent agree in writing in their discretion that any Defaulting Lender has ceased to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice, and subject to any conditions set forth therein, such Lender will purchase at par such portion of outstanding Revolving Loans of the other Lenders and/or make such other adjustments as the Administrative Agent may determine to be necessary to cause the Revolving Credit Exposure of the Lenders to be on a *pro rata* basis in accordance with their respective Commitments, whereupon such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender (and such Revolving Credit Exposure of each Lender will automatically be adjusted on a prospective basis to reflect the foregoing); provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while such Lender was a Defaulting Lender; provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(b) Notwithstanding anything herein to the contrary, any amount paid by the Borrowers for the account of a Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will be retained by the Administrative Agent in a segregated non-interest bearing account until the Maturity Date (or such earlier date as the Borrowers and the Administrative Agent agree in

writing in their discretion that such Lender has ceased to be a Defaulting Lender) at which time the funds in such account will be applied by the Administrative Agent, to the fullest extent permitted by law, in the following order of priority: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent under this Agreement; second, to the payment of interest due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably among them in accordance with the amounts of such interest then due and payable to them; third, to the payment of fees then due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably among them in accordance with the amounts of such fees then due and payable to them; fourth, to the payment of principal then due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably in accordance with the amounts thereof then due and payable to them; fifth, to the ratable payment of other amounts then due and payable to the Lenders hereunder that are not Defaulting Lenders; and sixth, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

ARTICLE IV. CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions to Closing Date. The Lenders' Commitments shall not become effective hereunder unless all of the following conditions precedent have been satisfied (or waived in accordance with Section 10.01):

(a) Unless waived by all the Lenders (or by the Administrative Agent), the Administrative Agent's receipt of the following, unless otherwise specified, each properly executed by a Responsible Officer of the Company (where applicable), each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Administrative Agent:

(i) executed counterparts of this Agreement, signed on behalf of each party hereto or written evidence (which, subject to Section 10.11, may include any Electronic Signatures transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page) that each party hereto has signed a counterpart of this Agreement;

(ii) certified copies of resolutions or other action of the Board of Directors of each Borrower, incumbency certificates and/or other certificates of the Secretary or Assistant Secretary of each Borrower establishing the identities of and verifying the authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Borrower is a party;

(iii) evidence verifying that each Borrower is duly organized or formed, validly existing, in good standing and qualified to engage in business in the jurisdiction of its incorporation;

(iv) a certificate signed by a Responsible Officer of each Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, (B) that there has been no event or circumstance since the date of the Audited Financial Statements which has had or would reasonably be expected to have a Material Adverse Effect; and (C) the current Senior Debt Ratings;

(v) an opinion of counsel to the Borrowers, addressed to the Administrative Agent and each of the Lenders, and covering such matters relating to the Borrowers, the Loan Documents and the transactions contemplated therein as the Administrative Agent shall reasonably request;

(vi) evidence that (A) the Company has delivered notice of its termination of commitments under the Existing 364-Day Credit Agreement to the administrative agent three Business Days prior to the Closing Date, (B) all amounts outstanding under the Existing 364-Day Credit Agreement have been paid (including, without limitation, principal, interest and fees), provided that all such amounts may be repaid substantially simultaneously with Loan(s) advanced under this Agreement, and (C) the "commitments" of the lenders under the Existing 364-Day Credit Agreement have been or concurrently with the Closing Date are being terminated;

(vii) a duly executed Request for Credit Extension for any Credit Extension to be made on the Closing Date;

(viii) a duly executed funds disbursement agreement, if applicable;

(ix) (A) at least five days prior to the Closing Date, all documentation and other information regarding the Company requested in connection with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of the Company at least 15 business days prior to the Closing Date and (B) to the extent the Company qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least five days prior to the Closing Date, any Lender that has requested, in a written notice to the Company at least 15 business days prior to the Closing Date, a Beneficial Ownership Certification in relation to the Company shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ix) shall be deemed to be satisfied); and

(x) evidence reasonably satisfactory to the Administrative Agent that arrangements have been made by the Company or its counsel for the payment of the Florida documentary stamp tax in respect of each promissory note provided to a requesting Lender pursuant to Section 2.10(c) on or about the Closing Date.

(b) Any fees required to be paid on or before the Closing Date in connection herewith shall have been paid.

(c) Unless waived by the Administrative Agent, the Borrowers shall have paid all Attorney Costs of the Administrative Agent to the extent invoiced at least one Business Day prior to the Closing Date, plus such additional amounts of Attorney Costs as shall constitute the Administrative Agent's reasonable estimates of Attorney Costs incurred or to be incurred by each of them through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrowers and the Administrative Agent).

Without limiting the generality of the provisions of Section 4.01, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Revolving Loan Notice requesting only a conversion of Revolving Loans to the other Type, or a continuation of Revolving Loans as the same Type) is subject to the following conditions precedent:

(a) The representations and warranties of the Borrowers contained in Article V (but excluding the representation set forth in Section 5.05(b)) shall be true and correct in all material respects (other than those representations and warranties that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties shall be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

(b) No Default or Event of Default shall exist, or would result from such proposed Credit Extension.

(c) The Administrative Agent shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Revolving Loan Notice requesting only a conversion of Revolving Loans to the other Type or a continuation of Revolving Loans as the same Type) submitted by the Company shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

Each Borrower represents and warrants to the Administrative Agent and the Lenders that:

5.01 Existence, Qualification. (a) Such Borrower is a corporation duly incorporated, validly existing and in good standing under the Laws of its jurisdiction of incorporation, and (b) the Company is in good standing under the Laws of the State of Florida. Each Subsidiary Borrower incorporated in England and Wales represents and warrants to the Lenders that its centre of main interest (as that term is used in Article 3(1) of the EU Insolvency Regulation) is in England and Wales and it has no establishment (as that term is used in Article 2(10) of the EU Insolvency Regulation) in any other jurisdiction.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Borrower of each Loan Document (a) are within its corporate or analogous powers, (b) have been duly authorized by all necessary corporate or analogous action, and (c) do not contravene (i) such Borrower's Organization Documents, (ii) any applicable Laws or (iii) any material contractual restriction binding on or affecting such Borrower, except for each of clauses (ii) and (iii) where the failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or any other Person is required for the due execution, delivery and performance by any Borrower of any Loan Document.

5.04 Binding Effect. This Agreement is, and each other Loan Document when delivered hereunder will be, the legal, valid and binding obligation of each Borrower enforceable against it in accordance with its respective terms except that such enforcement may be limited by applicable Debtor Relief Laws.

5.05 Financial Statements; No Material Adverse Change.

(a) The Audited Financial Statements, copies of which have been furnished to the Lenders, fairly present in all material respects the consolidated financial condition of the Company and its Subsidiaries as of December 30, 2022 and the results of the operations of the Company and its Subsidiaries for the fiscal year ended on such date, all in accordance with GAAP.

(b) Since the date of the Audited Financial Statements, there has been no change in such conditions or operations that would reasonably be expected to have a Material Adverse Effect.

5.06 Litigation. Except as set forth on Schedule 5.06, on the date of this Agreement there is no pending or, to the Company's knowledge, threatened action, investigation or proceeding affecting any Borrower or any Restricted Subsidiaries before any court, Governmental Authority or arbitrator which if adversely determined would reasonably be expected to have a Material Adverse Effect.

5.07 ERISA Compliance. No Reportable Event has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Single Employer Plan, and each Single Employer Plan has, during this five-year period, complied in all material respects with the applicable provisions of ERISA and the Code. There is no outstanding Lien under ERISA or the Code with respect to any Single Employer Plan. The ratio of the present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund the Plan as determined by the Plan's actuary) to the value of the assets of such Plan allocable to such accrued benefits is not higher than such ratio as of the last annual valuation date prior to the date on which this representation is made or deemed made. Neither the Company nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan with respect to which there is an outstanding liability, and neither the Company nor any Commonly Controlled Entity would become subject to any liability under ERISA if the Company or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made. No such Multiemployer Plan is in Reorganization or Insolvency. Notwithstanding the foregoing, none of the events, acts or failures to act described in this Section 5.07 shall be deemed to result in a breach of a representation or warranty unless it would reasonably be expected to have a Material Adverse Effect.

5.08 Real Property. To each Borrower's knowledge, each of the representations and warranties set forth in paragraphs (a) through (e) of this Section 5.08 is true and correct with respect to each parcel or real property owned or operated by the Borrowers and the Restricted Subsidiaries (the "Properties"), except to the extent that the facts and circumstances giving rise to any such failure to be so true and correct would not reasonably be expected to have a Material Adverse Effect:

(a) The Properties do not contain, and have not previously contained, in, on, or under such Properties, including without limitation, the soil and groundwater thereunder, any Hazardous Materials in concentrations which violate Environmental Laws.

(b) The Properties and all operations and facilities at the Properties are in compliance with all Environmental Laws, and there is no Hazardous Materials contamination in violation of any Environmental Law which would interfere with the continued operation of any of the Properties or impair the fair saleable value of any thereof other than Hazardous Materials found in properties of similar age and type (e.g. the potential for asbestos containing material or lead paint present in compliance with Environmental Laws).

(c) Neither the Borrowers nor any of the Restricted Subsidiaries has received any complaint, notice of violation, alleged violation, investigation or advisory action or of potential liability or of potential responsibility regarding environmental protection matters or permit compliance

with regard to the Properties, nor is any Borrower aware that any Governmental Authority is contemplating delivery to any Borrower or any of the Restricted Subsidiaries of any such notice.

(d) Hazardous Materials have not been generated, treated, stored, disposed of, at, on or under any of the Properties, nor have any Hazardous Materials been transferred from the Properties to any other location, in either case, in a manner that violates any Environmental Law.

(e) There are no governmental, administrative actions or judicial proceedings pending or contemplated under any Environmental Laws to which any Borrower or any of the Restricted Subsidiaries is or will be named as a party with respect to the Properties, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements, outstanding under any Environmental Law with respect to any of the Properties.

5.09 Margin Regulations; Investment Company Act.

(a) No Borrower is generally engaged in the business of extending credit or in the business of purchasing or carrying Margin Stock, and the Borrowings hereunder will not be used for the purpose of carrying Margin Stock in a manner which (i) would violate or result in a violation of Regulations T, U or X, or (ii) would constitute a Hostile Acquisition involving Margin Stock.

(b) None of any Borrower, any Person controlling any Borrower, or any Restricted Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.10 Outstanding Loans. The aggregate outstanding Revolving Credit Exposure does not exceed the Aggregate Commitments, other than as a result of fluctuations in currency exchange rates and subject to Section 2.04(b).

5.11 Taxes. The Borrowers and the Restricted Subsidiaries have filed all Federal, state and other tax returns and reports required to be filed, and have paid all Federal, state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties.

income or assets otherwise due and payable, except (a) those the failure to so file or pay would not in the aggregate have a Material Adverse Effect or which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP, and (b) those required, levied or imposed by foreign governments if, in the opinion of the chief executive officer of the Company, the filing or payment thereof shall no longer be advantageous to the Borrowers or the Restricted Subsidiaries in the conduct of their business and the failure to so file or pay would not in the aggregate have a Material Adverse Effect. There is no proposed tax assessment against any Borrower or any Restricted Subsidiary that would, if made, have a Material Adverse Effect.

5.12 Intellectual Property; License, Etc. Each of the Borrowers and the Restricted Subsidiaries owns, or is licensed, or otherwise has the right, to use, all patents, trademarks, service marks, trade names, copyrights and other intellectual property necessary to its business, and, except as set forth on Schedule 5.06, the use thereof by the Borrowers and the Restricted Subsidiaries does not infringe on the rights of any other Person, except in each case where a failure to have such rights or such infringement would not have a Material Adverse Effect.

5.13 Disclosure. No statement, information, report, representation, or warranty made by any Borrower in any Loan Document or furnished to the Administrative Agent or any Lender by or on behalf of any Borrower in connection with any Loan Document when made contains any untrue statement of material fact or omits any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect. This representation does not apply to estimates or projections of future performance, which each Borrower represents were or will be prepared in good faith based upon assumptions believed to be reasonable at the time of preparation. As of the Closing Date, to the knowledge of the Company, the information included in the Beneficial Ownership Certification provided on or prior to the Closing Date to any Lender in connection with this Agreement is true and correct in all respects.

5.14 Solvency. Immediately following the making of each Borrowing and after giving effect to the application of the proceeds of such Borrowing, the Company and its Subsidiaries (on a consolidated basis) will be solvent.

5.15 Anti-Money Laundering Laws/Patriot Act. The Company and its Subsidiaries (a) have conducted and will continue to conduct their business operations in compliance, in all material respects, with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, the Patriot Act, and the applicable anti-money laundering statutes, rules and regulations of jurisdictions where the Company or its Subsidiaries conduct business (collectively, the "Anti-Money Laundering Laws"); (b) have instituted and maintained and will continue to maintain policies and procedures designed to promote and achieve compliance with applicable Anti-Money Laundering Laws; and

(c) will not, directly or, to its knowledge after due inquiry, indirectly, use the proceeds of the Credit Extensions, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, to fund or facilitate any activities or business of any kind that would constitute or result in a violation of the Anti-Money Laundering Laws.

5.16 Sanctions. None of the Company nor any of its Subsidiaries (a) is a Sanctioned Person, (b) is a Person 50 percent or more owned by or otherwise controlled by one or more Sanctioned Persons, (c) has an officer, director or employee that is a Sanctioned Person, or (d) is located, organized or knowingly doing business in any Sanctioned Country in violation of any Sanctions. No part of the proceeds of any Credit Extensions hereunder will be used directly by the Company or any of its Subsidiaries or, to the knowledge of the Company, indirectly (i) to fund any operations, or finance any activities, by any of the Company or any of its Subsidiaries in a Sanctioned Country, except to the extent permissible for a Person required to comply with Sanctions, or (ii) to finance any investment, or make any payments, by any of the Company or any of its Subsidiaries to a Sanctioned Person, a Person owned or controlled by one or more Sanctioned Persons, or a Sanctioned Country, except to the extent permissible for a Person required to comply with Sanctions.

5.17 FCPA. The Company, its Subsidiaries and their respective directors, officers and employees and, to the knowledge of the Company, any agent of, and acting on behalf of, the Company and its Subsidiaries, (a) have conducted (other than as set forth in the Company's annual report on Form 10-K for the fiscal year ended December 30, 2022) and will continue to conduct their businesses operations in compliance in all material respects with the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), the U.K. Bribery Act 2010, and all other applicable anti-corruption laws (collectively, the "Anti-Corruption Laws") and (b) have instituted and maintained and will continue to maintain policies and procedures designed to promote and achieve compliance with the Anti-Corruption Laws. No Borrower will, directly or, to the knowledge of the Company, indirectly, use the proceeds of the Credit Extensions or lend, contribute or otherwise make available such proceeds to any Subsidiary, affiliate, joint venture partner or other Person or entity in violation of the Anti-Corruption Laws.

5.18 Affected Financial Institutions. No Borrower is an Affected Financial Institution.

ARTICLE VI. AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation shall remain unpaid or unsatisfied, the Borrowers shall, unless the Required Lenders shall otherwise consent in writing:

6.01 Reporting Requirements.

Deliver to the Administrative Agent (with sufficient copies for distribution to each Lender):

(a) within 90 days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, audited and

accompanied by a report and opinion of Ernst & Young LLP, Deloitte & Touche USA LLP, PricewaterhouseCoopers LLP, KPMG LLP or another independent certified public accountant of nationally recognized standing reasonably acceptable to the Required Lenders, which report and opinion shall be prepared in accordance with GAAP and shall not be subject to any qualifications or exceptions as to the scope of the audit nor to any going concern qualification (other than any qualification or exception solely as a result of an upcoming maturity date under the credit facility evidenced by this Agreement that is scheduled to occur within one year from the time such report and opinion are delivered);

(b) within 50 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income for such fiscal quarter and cash flows for the portion of the Company's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter or portion of the Company's fiscal year then ended of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Company as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes;

(c) promptly after the sending or filing thereof, copies of all material reports which the Company sends to its stockholders generally, and copies of all reports and registration statements which the Company or any Restricted Subsidiary files with the Securities and Exchange

Commission or any national securities exchange; provided that the Company shall not be required to furnish copies of registration statements filed on Form S-8, Form 144 or Forms 3, 4 or 5, or exhibits to the reports and registration statements referred to in this subsection(c);

(d) promptly subsequent to the rendering thereof and, upon a Responsible Officer becoming aware thereof, notice of the rendering against the Company or any Restricted Subsidiary of any final judgment or order for the payment of money in excess of the Threshold Amount (or its equivalent in another applicable currency), together with a description in reasonable detail of the relevant circumstances and the action which the Company proposes to take in response thereto;

(e) promptly, notice of any Event of Default or any Default hereunder, together with a description in reasonable detail of the relevant circumstances and the action which the Company proposes to take in response thereto;

(f) promptly, notice of the occurrence of any ERISA Event that has resulted in or would reasonably be expected to result in a Material Adverse Effect; together with a description in reasonable detail of the relevant circumstances and the action which the Company proposes to take in response thereto;

(g) promptly, of any announcement by Moody's, S&P or Fitch of any downgrade or possible downgrade in a Senior Debt Rating;

(h) such other readily available information respecting the conditions or operations, financial or otherwise, of any Borrower or any of its Subsidiaries as any Lender, through the

Administrative Agent, may from time to time reasonably request and subject to restrictions imposed by applicable security clearance regulations, confidentiality provisions and attorney client privilege, provided, however, that the Borrowers shall only be required to use their commercially reasonable efforts with respect to requests for information regarding Unrestricted Subsidiaries;

(i) promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation; and

(j) promptly, notice of any change in the information provided in the Beneficial Ownership Certification delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification.

Reports required to be delivered pursuant to Sections 6.01(a), (b) or (c) shall be deemed to have been delivered on the date on which the Company posts such reports on the Company's website on the Internet at the website address listed on Schedule 10.02 hereof or when such report is posted on the Securities and Exchange Commission's website at www.sec.gov; provided that (x) the Company shall deliver paper copies of such reports to the Administrative Agent upon request or to any Lender who requests the Company to deliver such paper copies until written request to cease delivering paper copies is given by the Administrative Agent or such Lender, and (y) the Company shall, on or before the required delivery date, notify by facsimile or electronic mail (unless requested by such Person to provide paper copies of any such notice) the Administrative Agent and each Lender of the posting of any such reports. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the reports referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such reports.

6.02 Corporate Existence. Maintain its corporate existence and good standing in its jurisdiction of incorporation and maintain its qualification as a foreign corporation and good standing in all jurisdictions where the failure to so qualify would have a Material Adverse Effect.

6.03 Compliance with Laws, Etc. Comply, and cause each of the Restricted Subsidiaries to comply, with all applicable laws, rules, regulations and orders where the failure to so comply would have a Material Adverse Effect, such compliance to include, without limitation, paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property, except to the extent otherwise permitted by Section 6.08.

6.04 Certificates. Furnish to the Administrative Agent (in sufficient copies for distribution to each Lender), promptly following the filing of the financial statements referred to in Section 6.01(a) and (b), but in no case later than the deadlines set for the delivery of the applicable financial statements in those subsections, a Compliance Certificate signed by a Responsible Officer (a) stating that, to such Responsible Officer's knowledge, the Borrowers during such period have in all material respects observed or performed all of their covenants and other agreements and satisfied every

condition contained in this Agreement and in each other Loan Document to be observed, performed or satisfied by them, and that such Responsible Officer has obtained no knowledge of any Event of Default except as specified in such certificate, and (b) showing in reasonable detail the calculation supporting such statement in respect of Sections 7.01(y) and 7.05.

6.05 Covenant to Secure Obligations Equally. Without affecting the obligations of the Borrowers under Section 7.01, if any Borrower or any Restricted Subsidiary shall create, assume, incur or suffer to exist any Lien upon any of their respective property or assets, whether now owned or hereafter acquired, other than Permitted Liens (unless written consent to the creation or assumption thereof shall have been obtained from the Required Lenders pursuant to Section 10.01), then the Borrowers shall make or cause to be made effective provisions whereby the Obligations shall be secured by such Lien equally and ratably with any and all other Debt or other obligations thereby secured, and such security shall be created and conveyed by documentation satisfactory in scope, form and substance to the Administrative Agent and shall continue in full force and effect until the same is released by the Lenders, for as long as the Debt or other obligations are secured thereby and in any case the Obligations shall have the benefit, to the full extent that the holders may be entitled thereto under applicable law, of an equitable lien on such property or assets equally and ratably securing the Obligations.

6.06 Maintenance of Properties. Maintain all of its property in good repair, working order and condition, reasonable wear and tear excepted, and from time to time to make all proper repairs, renewals or replacements, betterments and improvements thereto so that the business carried on in connection therewith may be properly conducted at all times, and cause the Restricted Subsidiaries to do so, except where the failure to maintain, make such repairs, renewals, replacements, betterments or improvements would not, in the aggregate, have a Material Adverse Effect and for asset dispositions, transfers or sales not prohibited by Section 7.02.

6.07 Maintenance of Insurance. Keep, and cause each of the Restricted Subsidiaries to keep, in all material respects, all of its insurable properties insured (after giving effect to any self insurance) against loss or damage by theft, fire, smoke, sprinklers, riot and explosion, such insurance to be in such form, in such amount and against such other risks and hazards as are customarily maintained (including risk retention) by other Persons operating similar businesses and having similar properties in the same general areas in which the Company and the Restricted Subsidiaries own property.

6.08 Taxes and Other Claims. Pay and discharge, and cause each of the Restricted Subsidiaries to pay and discharge, before the same shall become delinquent, (a) all tax liabilities, assessments and governmental charges or levies imposed upon it or its properties or assets, and (b) all known lawful claims which, if unpaid, might by law become a Lien upon its property; provided that neither the Company nor any of the Restricted Subsidiaries shall be required to pay or discharge any such tax, assessment, charge or claim the failure to so pay or discharge would not in the aggregate have a Material Adverse Effect or which is being contested in good faith and by proper proceedings and for which adequate reserves, if any, have been provided in accordance with GAAP.

6.09 Environmental Laws.

(a) Comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with all Environmental Laws and obtain and comply with and maintain, and ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, registration or permits required by Environmental Laws, and cause each of the Restricted Subsidiaries to do so, except to the extent that failure to do so would not be reasonably expected to have a Material Adverse Effect;

(b) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities respecting Environmental Laws, and cause each of the Restricted Subsidiaries to do so except to the extent that the same are being contested in good faith by appropriate proceedings and the pendency of such proceedings or the failure to so comply would not be reasonably expected to have a Material Adverse Effect; and

(c) Defend, indemnify and hold harmless the Administrative Agent and each Lender, and their respective employees, agents, officers and directors, from and against any actual and direct claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of or noncompliance with any Environmental Laws applicable to the real property owned or operated by the Company or any of the Restricted Subsidiaries, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses, except to the extent that any of the foregoing

arise out of the gross negligence or willful misconduct of any such indemnitee; provided that the indemnification provided for by this paragraph shall survive the repayment of the Obligations and the termination of the Commitments for a period of five years.

6.10 Books and Records. Keep, and cause each of its Material Subsidiaries to keep, proper books of record and account, containing complete and accurate entries in all material respects of all their respective financial and business transactions.

6.11 Compliance with ERISA. Do, and cause each of its Commonly Controlled Entities to do, each of the following: (a) maintain each Plan (other than a Multiemployer Plan) in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state law; (b) cause each Single Employer Plan which is qualified under Section 401(a) of the Code to maintain such qualification; and (c) make all required contributions to any Plan subject to Section 412 of the Code; except, in each case, where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

6.12 Visitation, Inspection, Etc. Permit and cause each of its Material Subsidiaries to permit (a) any representative of the Administrative Agent at the expense of the Administrative Agent, as the case may be unless an Event of Default has occurred and is continuing, to visit and inspect its properties, to examine its financial books and records and to make copies and take extracts therefrom all

at such reasonable times and as often as the Administrative Agent or the Required Lenders may reasonably request after reasonable prior notice to the Company, and (b) permit any representative of the Administrative Agent to discuss its affairs, finances and accounts with any of its officers and with its independent certified public accountants, all at such reasonable times and as often as the Administrative Agent or any Lender may reasonably request after reasonable prior notice to the Company; provided, however, so long as no Default or Event of Default has occurred and is continuing, the Company shall not be required to permit more than one such visit and inspection in the aggregate in any 12 month period. Notwithstanding anything to the contrary contained in this Section 6.12, the right of visitation and inspection shall be subject to reasonable limitations for security related precautions and subject to the confidentiality provisions contained in Section 10.08.

6.13 Sanctions, Export Controls, Anti-Corruption Laws and Anti-Money Laundering Laws. Maintain and enforce policies and procedures with respect to itself and its Subsidiaries reasonably designed to ensure compliance with applicable Sanctions, export controls, Anti-Corruption Laws and Anti-Money Laundering Laws.

ARTICLE VII. NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation shall remain unpaid or unsatisfied, the Borrowers shall not, without the written consent of the Required Lenders:

7.01 Liens. Create, assume, incur or permit to exist, or allow any Restricted Subsidiary to create, assume, incur or permit to exist, except by a Restricted Subsidiary in favor of the Company or another wholly-owned Restricted Subsidiary, any Lien on any of its property or assets or any shares of capital stock or indebtedness of any Restricted Subsidiary, whether now owned or hereafter acquired, or assigned, except:

(a) Liens incurred (x) in connection with the "Cash Collateralization" of any "L/C Exposure" (in each case under (and as defined in) the Existing Credit Agreement) or (y) to secure the Obligations in compliance with Section 6.05;

(b) Liens for taxes not yet due, or Liens for taxes being contested in good faith and by appropriate proceedings for which adequate reserves have been established in accordance with GAAP or which would not be reasonably be expected to have a Material Adverse Effect;

(c) Liens in respect of property or assets of the Company or any Restricted Subsidiary imposed by Law, which were incurred in the ordinary course of business, such as carriers', warehousemen's and mechanics' liens and other similar Liens arising in the ordinary course of business and (i) which do not in the aggregate materially detract from the value of such property or assets or materially impair the use thereof in the operations of the business of the Company or any Restricted Subsidiary or (ii) which are being contested in good faith by appropriate proceedings for which adequate

reserves have been established in accordance with GAAP and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien;

(d) Liens existing prior to the time of acquisition (other than Liens created, assumed or incurred in anticipation of acquisition) upon any property acquired by the Company or any Restricted Subsidiary through purchase, merger or consolidation or otherwise, if the payment of the indebtedness secured thereby or interest thereon will not become, by assumption or otherwise, a personal obligation of the Company or a Restricted Subsidiary (other than a Person or Persons that becomes a Restricted Subsidiary or Restricted Subsidiaries as a result of such acquisition);

(e) any Lien placed upon property hereafter acquired by the Company or any Restricted Subsidiary or placed upon any equipment, land, buildings, or other properties purchased or constructed which secures Debt incurred for its purchase or construction; provided that (i) such Lien shall cover only hereafter acquired property or property on which construction occurs, and (ii) any such Lien shall be created within 270 days of the acquisition of, or completion of construction on, such property;

(f) Liens (other than any Lien imposed pursuant to Sections 303 or 4068 of ERISA or Section 430 of the Code) arising by reason of deposits with, or the giving of any form of security to, any Governmental Authority or any body created or approved by Law, which is required by Law as a condition to the transaction of any business, or the exercise of any privilege or license, or to enable the Company or a Restricted Subsidiary to maintain self-insurance or to participate in any arrangements established by Law to cover any insurance risks or in connection with workmen's compensation, unemployment insurance, old age pensions, social security or similar matters;

(g) judgment liens securing judgments, none of which individually exceed the Threshold Amount;

(h) easements or similar encumbrances, the existence of which does not materially impair the use or value of the property subject thereto for the purposes for which it is held or was acquired;

(i) lessors' and landlords' Liens on fixtures and movable property (other than computer equipment) located on premises leased in the ordinary course of business, so long as the rent secured by said fixtures and movable property is not in default, and any deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(j) Liens consisting of leases (whether "true" leases or capitalized leases) of computer or other office equipment entered into in the ordinary course of business;

(k) Liens, pledges or deposits made in connection with Government Contracts insofar as such Liens, pledges or deposits relate to property manufactured, installed, constructed, acquired or to be supplied by, or property furnished to, the Company or a Restricted Subsidiary pursuant to, or to enable the performance of, such Government Contracts, or property the manufacture, installation, construction or acquisition of which any Governmental Authority thereof finances or guarantees the

financing of, pursuant to, or to enable the performance of, such Government Contracts; or deposits or Liens, made pursuant to such Government Contracts, of or upon moneys advanced or paid pursuant to, or in accordance with the provisions of, such Government Contracts, or of or upon any materials or supplies acquired for the purposes of the performance of such Government Contracts; or the assignment or pledge to any Person, to the extent permitted by Law, of the right, title and interest of the Company or a Restricted Subsidiary in and to any Government Contract, or in and to any payments due or to become due thereunder, to secure indebtedness incurred and owing to such Person for funds or other property supplied, constructed or installed for or in connection with the performance by the Company or such Restricted Subsidiary of its obligations under such Government Contract;

(l) any mortgage or other Lien in favor of the United States of America or any State thereof, or political subdivision of the United States of America or any State thereof, or any department, agency or instrumentality of the United States of America or any State thereof, or any such political subdivision, to secure Debt incurred for the purpose of financing the acquisition, construction or improvement of all or any part of the property subject to such mortgage or other Lien; provided, that (i) any such Lien shall cover only such acquired property or property on which construction of improvements occurs, and (ii) any such Lien shall be created within 270 days of the acquisition of or construction or improvement on such property;

(m) any Lien securing Debt of a Restricted Subsidiary (i) existing on any asset of any Person at the time such Person becomes a Restricted Subsidiary, (ii) existing on any asset of any Person at the time such Person is merged with or into the Company or any Restricted Subsidiary or (iii) existing on any asset prior to the acquisition thereof by the Company or any Restricted Subsidiary; provided, that any such Lien referred to in clauses (i), (ii) and (iii) was not created in the contemplation of any of the foregoing, and any such Lien secures only those obligations which it secures on the date that such Person becomes a Restricted Subsidiary or the date of such merger or the date of such acquisition;

(n) any Lien created in connection with the refinancing, renewal or extension of any obligations, Debt or claims secured by a Lien of the type described in subsections (d), (e), (f), (g), (l) and (m) above which is limited to the same property; provided that the aggregate amount of the Debt or claims secured by such refinancing, renewal or extension Lien does not exceed the aggregate amount thereof secured by the Lien so refinanced, renewed or extended and outstanding at the time of such refinancing, renewal or extension;

(o) Liens on accounts receivable, notes, chattel paper and related property subject to a Securitization, provided that the applicable amount of any and all such Securitizations at any time outstanding, shall not at any time exceed the amount of \$750,000,000;

(p) [intentionally omitted];

(q) Liens on manufacturing real estate facilities in Anaheim, California and Sylmar, California in favor of BA Leasing BSC, LLC;

(r) Liens in connection with the deposit of cash or cash equivalents from the proceeds of any RefinancingDebt;

(s) any licenses, covenants not to sue or other rights granted to third parties under patents, trademarks, service marks, trade names, copyrights or other intellectual property of the Company or any Restricted Subsidiary in the ordinary course of business;

(t) Liens (A) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection and (B) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of setoff) and that are within the general parameters customary in the banking industry;

(u) Liens that are contractual rights of setoff (A) relating to the establishment of depository relations with banks not given in connection with the incurrence of indebtedness, (B) relating to pooled deposit or sweep accounts to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and the Restricted Subsidiaries or (C) relating to purchase orders and other agreements entered into with customers of the Company or any Restricted Subsidiary in the ordinary course of business;

(v) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods by any of the Company or any Restricted Subsidiaries in the ordinary course of business;

(w) Liens securing Hedging Arrangements incurred in the ordinary course of business to hedge or mitigate risks;

(x) Liens securing insurance premium financing arrangements so long as such Liens are limited to the applicable unearned insurance premiums; and

(y) any other Liens (other than Liens set forth in subsections (a) through (x)) securing obligations in an aggregate principal amount outstanding at any time not to exceed 10% of Consolidated TotalAssets.

7.02 Merger, Consolidation and Sale ofAssets.

(a) Merge or consolidate with or sell, assign, 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 permit any of its Material Subsidiaries (or any group of the Restricted Subsidiaries which taken as a whole would constitute a Material Subsidiary) to do so, except that (i) any such Restricted Subsidiary may merge into or consolidate with or transfer assets to the Company or any other Restricted Subsidiary or (ii) any other such Restricted Subsidiary and any Borrower may merge with any other Person provided in each case that, immediately thereafter and giving effect thereto, no event shall have occurred and be continuing which constitutes a Default or an Event of Default and, in the case of any such merger or consolidation to which the Company is a party, the Company is the survivingcorporation.

(b) Sell, assign, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets (whether now owned or hereafter acquired) of the Company and its Restricted Subsidiaries, taken as a whole, to any Person.

7.03 [Intentionally Omitted].

7.04 Use of Proceeds. Use, or allow any Restricted Subsidiary to use,directly or indirectly, the proceeds of any Loan for purposes of undertaking or accomplishing a Hostile Acquisition, or for any purpose in contravention of applicableLaws.

7.05 Consolidated Total Indebtedness to Total Capital. Permit the ratio of Consolidated Total Indebtedness (excluding Debt of the Company's Unrestricted Subsidiaries) (it being understood that "Consolidated Total Indebtedness" does not include pension liabilities) to Total Capital (excluding the Net Worth of Unrestricted Subsidiaries) to be greater than 0.65:1.00.

7.06 Unrestricted Subsidiary Investment. Make or maintain any investment in common stock, evidence of indebtedness or other securities (including any option, warrant, or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, guarantee or otherwise become liable with respect to any obligations of, or make or permit to exist any investment or any other interest in, any Unrestricted Subsidiary other than upto \$750,000,000 of investment in Unrestricted Subsidiaries after the Closing Date.

ARTICLE VIII.

EVENTS OF DEFAULT AND REMEDIES

If any of the following events ("Events of Default") shall occur and be continuing:

(a) **Non-Payment.** The Borrowers shall fail to pay (i) any amount of principal of any Loan when due and in the Agreed Currency required hereunder; (ii) any interest on any Loan when due and in the Agreed Currency required hereunder, and such failure shall remain unremedied for five days; or (iii) within ten days after the same becomes due and the Company shall have received written notice thereof from the Administrative Agent or any Lender, any other amount payable hereunder or under any other Loan Document;or

(b) **Specific Covenants.**

(i) The Borrowers shall have failed to perform or observe any term, covenant or agreement contained in any of Sections 6.01(e), 6.02, 6.05, or Article VII;or

(ii) The Borrowers shall have failed to perform or observe any term, covenant or agreement contained in any of Sections 6.01(a) or (b) or 6.04 and such failure continues for 30 days after a Responsible Officer of the Company becomes aware or, through the exercise of reasonable diligence, should have become aware of such failure;or

(c) **Other Defaults.** The Borrowers shall have failed to perform or observe any other covenant or agreement (not specified in subsection (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after written notice thereof shall have been given to the Company by the Administrative Agent or any Lender;or

(d) **Representations and Warranties.** Any representation or warranty made or deemed made by any Borrower herein or by the Company (or any of its officers) in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect when made or deemed made;or

(e) **Payment of Debt.** Any Borrower or any of its Restricted Subsidiaries shall (i) fail to make any principal payment on account of any Debt (excluding the Obligations) or Hedging Arrangement of any Borrower or such Restricted Subsidiary (as the case may be) having an outstanding principal amount (or notional amount in the case of a Hedging Arrangement) individually or in the aggregate that exceeds \$200,000,000 (including any interest or premium thereon), when due (whether at scheduled maturity, upon required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt or Hedging Arrangement, or (ii) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any such Debt (but not including Hedging Arrangements) when required to be performed or observed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any such Debt that aggregates to more than \$200,000,000 shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment and other than as a consequence of the sale, pledge or other disposition by any Borrower of Margin Stock), prior to the stated maturity thereof; or

(f) **Insolvency Proceedings, Etc.** (i) Any Borrower or any Material Subsidiary shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or any Borrower or any Material Subsidiary shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Borrower or any Material Subsidiary any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period in excess of 60

days; or (iii) there shall be commenced against any Borrower or any Material Subsidiary any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) any Borrower or any Material Subsidiary shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in

clauses (i), (ii), or (iii) above; or (v) any Borrower or any Material Subsidiary shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(g) Judgments. A final judgment or order known to any Borrower for the payment of money in excess of \$200,000,000, or its equivalent in another applicable currency (exclusive of the amount thereof covered by insurance, provided that the insurance carrier has acknowledged coverage), or any other final non-monetary judgment otherwise having a Material Adverse Effect, shall be rendered against any Borrower or any Restricted Subsidiary and not paid and either (i) enforcement proceedings shall have been commenced upon such judgment or order and such proceedings are not being contested in good faith or (ii) a stay of enforcement of such judgment or order or similar relief, by reason of a pending appeal or otherwise, shall not be in effect with respect to such judgment or order for any period of 30 consecutive days; provided that the circumstances described in clause (i) or (ii) above, as to such a judgment or order which is rendered by any foreign Governmental Authority in an amount not exceeding the Dollar Equivalent of \$200,000,000 and which has not been confirmed in any way by any Governmental Authority in the United States shall not give rise to any Event of Default under thissubsection (g) if the Lenders shall have been furnished (promptly after any Borrower shall have knowledge of the commencement of any such proceedings or any such 30 day period and promptly upon obtaining knowledge of any material change in such circumstances) with a copy (certified by a Responsible Officer of the Company) of a resolution adopted by the board of directors or a committee of the board of directors of the Company to the effect that, having considered the advice of counsel, it has been determined to be in the best interests of the Company to permit such circumstances to exist and directing the appropriate officers of the Company to notify the Lenders of all material developments relating to such judgment or order (including any significant modification of such determination); or

(h) ERISA. (i) Any Person shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Single Employer Plan for which a statutory or class exemption is not available or a private exemption therefore has not previously been obtained, (ii) any failure to satisfy the "minimum funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA) with respect to any Single Employer Plan, whether or not any funding deficiency related thereto is waived, (iii) a Reportable Event shall occur with respect to any Single Employer Plan, or proceedings shall commence to have any Single Employer Plan terminated or to have a trustee appointed, or a trustee shall be appointed, to administer any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Administrative Agent, likely to result in the termination of such Plan for purposes of Title IV of ERISA at a time when such Single Employer Plan's liabilities exceed its assets, (iv) any Single Employer Plan shall terminate in a "distress termination" (as defined in Section 4041(c) of ERISA) or (v) the Company or any Commonly Controlled Entity shall, or in the reasonable opinion of the Administrative Agent is likely to, incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan; and in each case in clauses (i) through (v) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to subject the Company or any of its Restricted Subsidiaries to any tax, penalty or other liabilities in the aggregate in excess of \$200,000,000; or

(i) Invalidity of Loan Documents. Any provision of this Agreement or any material provision of any other Loan Document, at any time after its execution and delivery and for any reason other than the agreement of all the Lenders or satisfaction in full of all the Obligations, ceases to be in full force and effect, or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any respect; or any Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(j) Change of Control. There occurs any Change of Control of the Company;

then, and in every such event (other than an event with respect to any Borrower or any Material Subsidiary described in subsection (f) above), and at any time thereafter during the continuance of such event, the Administrative Agent may with the consent of the Required Lenders, and shall at the request of the Required Lenders, by notice to the Company, take any of the following actions, at the same or different times: (i) declare the Commitment of each Lender to make Loans to be terminated, whereupon such Commitments and obligation shall be terminated; (ii) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrowers; and (iii) exercise on behalf of itself and the Lenders all rights and remedies available to it and the

Lenders under the Loan Documents or applicable law; provided, however, that upon the occurrence of any event specified in subsection (f) above with respect to any Borrower or any Material Subsidiary, the Commitment of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable without further act of the Administrative Agent or any Lender.

ARTICLE IX. ADMINISTRATIVE AGENT

9.01 Appointment and Authorization of Administrative Agent. Each Lender hereby irrevocably (subject to Section 9.09) appoints, designates and authorizes the Administrative Agent to take such action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Administrative Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. The

motivations of the Administrative Agent are commercial in nature and not to invest in the general performance or operations of the Borrowers.

9.02 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct (as determined by a court of competent jurisdiction by final nonappealable judgment).

9.03 Liability of Administrative Agent. No Agent-Related Person shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct (as determined by a court of competent jurisdiction by final nonappealable judgment) in connection with its duties expressly set forth herein), or (b) be responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by any Borrower or any officer thereof, contained herein or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), or for any failure of any Borrower or any other party to any Loan Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Lender or participant to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Borrower or any of its Affiliates.

9.04 Reliance by Administrative Agent.

(a) The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation (including any electronic message, posting or other distribution) believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to the Borrowers), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under any Loan Document unless it shall first receive such advice or concurrence of the Required Lenders or all the Lenders if applicable and, if it so requests, it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders or all the Lenders, if required hereunder, and such request and any action taken or failure to act pursuant thereto shall be

binding upon all the Lenders and participants. Where this Agreement expressly permits or prohibits an action unless the Required Lenders or all the Lenders if applicable otherwise determine, the Administrative Agent shall, and in all other instances, the Administrative Agent may, but shall not be required to, initiate any solicitation for the consent or a vote of the Lenders.

(b) For purposes of determining compliance with the conditions specified in Section 4.01 each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent by the Administrative Agent to such Lender for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender.

9.05 Notice of Default. The Administrative Agent shall not be deemed to have knowledge of any (i) notice of any of the events or circumstances set forth or described in Section 6.01(d), (e), (f), (g) or (j), unless and until written notice thereof stating that it is a "notice under Section 6.01" in respect of this Agreement and identifying the specific clause under said Section is given to the Administrative Agent by the Company or (ii) notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest and fees required to be paid to the Administrative Agent for the account of the Lenders, unless the Administrative Agent shall have received written notice from a Lender or the Company referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". The Administrative Agent will notify the Lenders of its receipt of any such notice. The Administrative Agent shall take such action with respect to such Default or Event of Default as may be directed by the Required Lenders in accordance with Article VIII; provided, however, that unless and until the Administrative Agent has received any such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Lenders.

9.06 Credit Decision; Disclosure of Information by Administrative Agent. Each Lender acknowledges that no Agent-Related Person has made any representation or warranty to it, and that no act by the Administrative Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of any Borrower or any of its Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender as to any matter, including whether Agent-Related Persons have disclosed material information in their possession. Each Lender represents to the Administrative Agent that (i) the Loan Documents set forth the terms of a commercial lending facility, (ii) in participating as a Lender, it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender in the ordinary course of business, and not for the purpose of investing in the general performance or operations of the Borrowers, or for the purpose of purchasing, acquiring or holding any other type of financial instrument such as a security (and each Lender agrees not to assert a claim in contravention of the foregoing, such as a claim under the federal or state securities law), (iii) it has, independently and without reliance upon any Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers and their respective Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own

decision to enter into this Agreement and to extend credit to the Borrowers hereunder and (iv) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities. Each Lender also represents that it will, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent herein, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Borrower or any of its respective Affiliates which may come into the possession of any Agent-Related Person.

9.07 Indemnification of Administrative Agent. Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand the Administrative Agent in its capacity as such and each Agent-Related Person while acting for or on behalf of the Administrative Agent in such capacity (to the extent not reimbursed by or on behalf of the Borrowers and without limiting the obligation of the Borrowers to do so), pro rata based on the applicable Pro Rata Shares (at the time the claim was asserted), and hold harmless the Administrative Agent in its capacity as such and each Agent-Related Person while acting for or on behalf of the Administrative Agent in such capacity from and

against any and all Indemnified Liabilities incurred by it; provided, however, that no Lender shall be liable for the payment to the Administrative Agent or any Agent-Related Person of any portion of such Indemnified Liabilities resulting from such Person's gross negligence or willful misconduct (as determined by a final, non-appealable judgment of a court of competent jurisdiction); provided, further, however, that no action taken in accordance with the directions of the Required Lenders or all the Lenders if applicable shall be deemed to constitute gross negligence, bad faith or willful misconduct for purposes of this Section. Without limitation of the foregoing, each Lender shall reimburse the Administrative Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that the Administrative Agent is not reimbursed for such expenses by or on behalf of the Borrowers. The undertaking in this Section shall survive termination of the Commitments, the payment of all Obligations hereunder and the resignation or replacement of the Administrative Agent.

9.08 Administrative Agent in its Individual Capacity. JPMorgan Chase Bank, N.A. and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire equity interests in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with the Borrowers and their respective Affiliates as though JPMorgan

Chase Bank, N.A. were not the Administrative Agent hereunder and without notice to or consent of the Lenders. The Lenders acknowledge that, pursuant to such activities, JPMorgan Chase Bank, N.A. or its Affiliates may receive information regarding the Borrowers or their Affiliates (including information that may be subject to confidentiality obligations in favor of the Borrowers or any such Affiliate) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them. With respect to its Loans, JPMorgan Chase Bank, N.A. shall have the same rights and powers under this Agreement as any other Lender and may exercise such rights and powers as though it were not the Administrative Agent, and the terms "Lender" and "Lenders" include JPMorgan Chase Bank, N.A. in its individual capacity.

9.09 Successor Administrative Agent.

(a) The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders. If the Administrative Agent resigns under this Agreement, the Required Lenders shall appoint from among the Lenders a successor administrative agent for the Lenders, the appointment of which successor administrative agent shall be subject to the consent of the Company at all times other than during the existence of an Event of Default (which consent of the Company shall not be unreasonably withheld or delayed). If no successor administrative agent is appointed prior to the effective date of the resignation of the Administrative Agent, the Administrative Agent may appoint, after consulting with the Lenders and the Company, a successor administrative agent from among the Lenders.

(b) Upon the acceptance of its appointment as successor administrative agent hereunder, such successor administrative agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent and the term "Administrative Agent" shall mean such successor administrative agent and the retiring Administrative Agent's appointment, powers and duties as Administrative Agent shall be terminated. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Article IX and Sections 10.03 and 10.13 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. If no successor administrative agent has accepted appointment as Administrative Agent by the date which is 30 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Required Lenders shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above.

9.10 Other Agents, Lead Arrangers. None of the Lenders identified on the facing page or signature pages of this Agreement as a "Joint Bookrunner", "Joint Lead Arranger" or "Co-Syndication Agent" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on the Administrative Agent or any of the Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

9.11 Withholding Tax. To the extent required by any applicable Law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any

applicable withholding tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender (because the appropriate form was not

delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason), such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including penalties and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due the Administrative Agent under this Section 9.11. The agreements in this Section 9.11 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

9.12 Administrative Agent May File Proofs of Claim.

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Borrower, the Administrative Agent (irrespective of whether the principal of any Loan or any Outstanding Amount shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans or Outstanding Amounts and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and its agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 10.04) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same.

(b) Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, if the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable

compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 10.04 and Section 10.05.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

9.13 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans or the Commitments;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable

with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers, that none of the Administrative Agent, or the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

(c) The Administrative Agent and each Arranger hereby informs the Lenders that each such Person is not undertaking to provide investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans or the Commitments for an amount less than the amount being paid for an interest in the Loans or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

9.14 Posting of Communications.

(a) The Borrowers agree that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Closing Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and the Borrowers acknowledge and agree that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution. Each of the Lenders and the Borrowers hereby approve distribution of the

Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN

CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER, ANY CO-SYNDICATION AGENT OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, "APPLICABLE PARTIES") HAVE ANY LIABILITY TO ANY BORROWER, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

(d) Each Lender agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders and the Company agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

9.15 Erroneous Payments.

(a) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or

repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one (1) Business Day thereafter (or such later date as the Administrative Agent, may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 9.15 shall be conclusive, absent manifest error.

(b) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one (1) Business Day thereafter (or such later date as the Administrative Agent, may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Company and each other Borrower hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Company or any other Borrower, except, in the case of clause (y), to the extent such erroneous Payment is, and solely with

respect to the amount of such erroneous Payment that is, comprised of funds received by the Administrative Agent from the Company or any other Borrower for the purposes of satisfying an Obligation.

(d) Each party's obligations under this Section 9.15 shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

ARTICLE X. MISCELLANEOUS

10.01 Amendments, Etc. Except as provided in Section 3.03(b) and Section 3.03(c), no amendment or waiver of any provision of this Agreement or any other Loan Document (other than the Fee Letters), and no consent to any departure by any Borrower therefrom, shall be effective unless in writing signed by the Required Lenders and the Company, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall, unless in writing and signed by each of the Lenders directly affected thereby and by the Company, do any of the following:

(a) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to ArticleVIII);

(b) postpone any date fixed by this Agreement or any other Loan Document for any payment or mandatory prepayment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document; provided that a change to any financial or other covenant or representation and warranty of an Event of Default shall only require the consent of the Required Lenders;

(c) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (iv) of the proviso below) any fees or other amounts payable hereunder or under any other Loan Document; provided, however, that (i) only the consent of the Required Lenders and the Company shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrowers to pay interest at the Default Rate and (ii) any amendment entered into pursuant to the terms of Section 3.03(b) shall not constitute a reduction in the rate of interest or fees for purposes of this clause (c);

(d) change the definition of "Required Lenders" or the percentage of the Aggregate Commitments or of the aggregate unpaid principal amount of the Loans which is required for the Lenders or any of them to take any action hereunder;

(e) change the Pro Rata Share or Voting Percentage of any Lender (except for any such change resulting from Section 3.06(b) or Section 10.15) or a Lender's right to receive its Pro Rata Share of payments or proceeds under Sections 2.11 and 2.12;

(f) amend this Section, or Section 2.12, or any provision herein providing for consent or other action by all the Lenders; or

(g) release the Company from its obligations under Article XI;

and, provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Required Lenders or all the Lenders, as the case may be, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (ii) each Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the respective parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended, and amounts payable to such Lender hereunder may not be permanently reduced, without the consent of such Lender (other than reductions in fees and interest in which such reduction does not disproportionately affect such Lender). Notwithstanding anything contained herein to the contrary, this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Borrowers and the Administrative Agent) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the Commitments of such Lender shall have terminated (but such Lender shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, 10.04 and 10.05), such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement. If the Administrative Agent and the Company acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then the Administrative Agent and the Company shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and such amendment shall become effective without any further action or consent of any other party to this Agreement. For the avoidance of doubt, and notwithstanding any provision herein to the contrary, it shall not be necessary to obtain the consent or approval of any Lender to

effectuate, pursuant to the terms and conditions of Section 2.17, extending the Maturity Date for Revolving Loans pursuant to Section 2.17 to the first anniversary of the Commitment Termination Date.

10.02 Notices and Other Communications; Facsimile Copies; General. Unless otherwise expressly provided herein, all notices, requests, demands, consents and other communications provided for hereunder shall be in writing (including by facsimile transmission) and mailed, faxed or delivered, to the address, facsimile number or (subject to subsection (c) below) electronic mail address (i) specified for notices on Schedule 10.02 in the case of any Borrower or the Administrative Agent, (ii) set forth in the Administrative Questionnaire or the Assignment and Acceptance executed by such Lender, in the case of any other Lender, or (iii) in the case of any Borrower or the Administrative Agent, as shall be otherwise designated by such party in a notice to the other parties, and in the case of any other party, as shall be otherwise designated by such party in a notice to the Company and the Administrative Agent. All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the intended recipient and (ii) (A) if delivered by hand or by courier, when signed for by the intended recipient; (B) if delivered by mail, four Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail (which form of delivery is subject to the provisions of subsection (c) below), when delivered; provided, however, that notices and other communications to the Administrative Agent pursuant to Article II shall not be effective until actually received by such Person. Any notice or other communication permitted to be given, made or confirmed by telephone hereunder shall be given, made or confirmed by means of a telephone call to the intended recipient at the number

specified on Schedule 10.02, it being understood and agreed that a voicemail message shall in no event be effective as a notice, communication or confirmation hereunder.

(a) Effectiveness of Facsimile/PDF Documents and Signatures. Subject to the terms of Section 10.11, the Loan Documents may be transmitted and/or signed by facsimile or by electronic mail in pdf form. The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually-signed originals and shall be binding on the Borrowers, the Administrative Agent and the Lenders. The Administrative Agent may also require that any such documents and signatures be confirmed by a manually-signed original thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

(b) Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrowers even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrowers shall indemnify each Agent-Related Person and each Lender from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrowers. All telephonic notices to and other communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

(c) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II unless such Lender and the Administrative Agent have agreed to receive notices under such Article by electronic communication and have agreed to the procedures governing such communications. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

10.03 No Waiver; Cumulative Remedies. No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of

any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein or therein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.04 Attorney Costs, Expenses and Taxes. The Borrowers agree (a) to pay or reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation, negotiation, syndication and execution of this Agreement and the other Loan Documents and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated hereby or thereby are consummated), and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs incurred by the Administrative Agent, and (b) to pay or reimburse the Administrative Agent and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement, attempted enforcement, or preservation of any rights or remedies under this Agreement or the other Loan Documents (including all such non-duplicative costs and expenses incurred during any "workout" or restructuring in respect of the Obligations and during any legal proceeding, including any proceeding under any Debtor Relief Law), including all Attorney Costs. The foregoing costs and expenses shall include all search, filing, recording, title insurance and appraisal charges and fees and taxes related thereto, and other out-of-pocket expenses incurred by the Administrative Agent and the cost of independent public accountants and other outside experts retained by the Administrative Agent or any Lender. The Borrowers shall not be required to pay the fees and expenses of more than one counsel for the Administrative Agent or any Lender under clause (b) of this Section 10.04 unless the employment of separate counsel has been authorized by the Company (such authorization not to be unreasonably withheld or delayed). The agreements in this Section 10.04 shall survive the termination of the Commitments and repayment of all other Obligations.

10.05 Indemnification by the Borrowers.

(a) Whether or not the transactions contemplated hereby are consummated, the Borrowers agree to indemnify, save and hold harmless each Agent-Related Person, each Lender and their respective Affiliates, directors, officers, employees, counsel, advisors, agents and attorneys-in-fact (collectively the "Indemnitees") from and against: (a) any and all claims, demands, actions or causes of action that are asserted against any Indemnitee by any Person relating directly or indirectly to a claim, demand, action or cause of action that such Person asserts or may assert against the Borrowers, any of their Affiliates or any of their respective officers or directors; (b) any and all claims, demands, actions or causes of action that may at any time (including at any time following repayment of the Obligations and the resignation or replacement of the Administrative Agent or the replacement of any Lender) be asserted or imposed by the Borrowers, any of their Affiliates or any other Person against any Indemnitee, arising out of or relating to, the Loan Documents, the Commitments or the use or contemplated use of the proceeds of any Credit Extension; (c) any administrative or investigative proceeding by any Governmental Authority arising out of or related to a claim, demand, action or cause of action described in subsection (a) or (b) above; (d) any and all liabilities (including liabilities under indemnities), losses, costs or expenses (including Attorney Costs) that any Indemnitee suffuses incurs as a result of the assertion of any foregoing claim, demand, action, cause of action or proceeding, or as a result of the

preparation of any defense in connection with any foregoing claim, demand, action, cause of action or proceeding, in all cases, whether or not arising out of the negligence of an Indemnitee, and whether or not an Indemnitee is a party to such claim, demand, action, cause of action or proceeding; and (e) any civil penalty or fine assessed by any governmental authority that administers Sanctions against, and all reasonable costs and expenses (including counsel fees and disbursements) incurred in connection with defense thereof by, the Administrative Agent or any Lender as a result of conduct of any Borrower that violates any Sanctions (all the foregoing, collectively, the "Indemnified Liabilities"); provided that no Indemnitee shall be entitled to indemnification from the Borrowers (i) for any claim caused by its own gross negligence, bad faith or willful misconduct, or that of any of its Affiliates, officers, employees, advisors, or agents, as determined by a court of competent jurisdiction by final nonappealable judgment, or (ii) for any loss or Indemnified Liabilities asserted against it by another Indemnitee, so long as such loss or Indemnified Liability does not involve an act or omission by either the Company or any of its respective affiliates and are not brought against such Indemnitee in such capacities as an agent, arranger, or similar role under this Agreement. The agreements in this Section 10.05 shall survive the termination of the Commitments and repayment of all other Obligations. In no case shall the Borrowers be required to indemnify an Indemnitee in respect of any indirect or special or consequential damages, except to the extent any such damages are paid or payable by an Indemnitee. This Section 10.05(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) The Administrative Agent and each Lender agree that if any investigation, litigation, suit, action, or proceeding is asserted or threatened in writing or instituted against it or any other Indemnitee, or any remedial, removal or response action is requested of it or any other Indemnitee for which the Administrative Agent or any Lender may desire indemnity or defense hereunder, the Administrative Agent or such Lender shall, to the extent permitted or practicable, promptly notify the Company thereof in writing; provided that any failure on the part of the Administrative

Agent or any Lender to provide such notice shall not be deemed a waiver of the rights of the Administrative Agent or any such Lender to seek indemnity from the Borrowers in respect of any such investigation, litigation, suit, proceeding or action. The Borrowers shall not be required to pay the fees and expenses of more than one counsel for the Indemnitees in respect of any single action, suit or proceeding unless the employment of separate counsel has been authorized by the Company (such authorization not to be unreasonably withheld or delayed, provided that such authorization shall be deemed to have been given during the existence of a Default or Event of Default), or unless any Indemnitee is advised by its counsel that there maybe defenses available to it which are not available to the other Indemnitees or that there is a reasonable likelihood of a conflict between its interests and those of the otherIndemnitees.

(c) To the extent permitted by applicable law (i) the Borrowers shall not assert, and the Borrowers hereby waive, any claim against each Agent-Related Person, each Lender and their respective Affiliates, directors, officers, employees, counsel, advisors, agents and attorneys-in-fact (collectively the "Lender-Related Persons") for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) no party hereto shall assert, and each such party hereby waives, any Liabilities against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to

direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby, any Loan or the use of the proceeds thereof; provided that, nothing in this Section 10.05(c) shall relieve the Borrowers of any obligation it may have to indemnify an Indemnitee, as provided in Section 10.05(a), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(d) Each Lender severally agrees to pay any amount required to be paid by the Borrowers under Section 10.05(a) to any Indemnitee (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so), ratably according to their respective Pro Rata Share in effect on the date on which such payment is sought under this Section (or, if such payment is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Pro Rata Share immediately prior to such date), and agrees to indemnify and hold each Indemnitee harmless from and against any and all Liabilities and related expenses, including the fees, charges and disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Indemnitee in any way relating to or arising out of the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Indemnitee under or in connection with any of the foregoing; provided that the unreimbursed expense or Liability or related expense, as the case may be, was incurred by or asserted against such Indemnitee in its capacity as such; providedfurther that no Lender shall be liable for the payment of any portion of such Liabilities, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted primarily from such Indemnitee's gross negligence or willful misconduct. The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

10.06 Payments Set Aside. To the extent that a Borrower makes a payment to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of set-off, and such payment or the proceeds of such set-off or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such set-off had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the NYFRB Rate from time to time in effect.

10.07 Successors andAssigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no

Borrower may assign or otherwise transfer any of its rights or obligations hereunder (except as expressly permitted under Section 7.02) without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective

successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans); provided that (i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent, shall not be less than \$5,000,000 in the case of any assignment of a Commitment unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Company otherwise consents (each such consent not to be unreasonably withheld, conditioned or delayed), (ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, and (iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500. Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Acceptance, the Eligible Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 10.04 and 10.05); provided that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection (b) of this Section shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section. Upon its receipt of a duly executed Assignment and Acceptance, the Administrative Agent shall notify the Company and the Lenders of the effective date thereof.

(c) The Administrative Agent, acting solely for this purpose as an agent of the Company, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount and stated interest of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be

conclusive, and the Borrowers, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Any Lender may, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to one or more banks or other entities that are in the business of making and/or investing in commercial loans (other than to Disqualified Institutions) (a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans; provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification that would (i) postpone any date upon which any payment of money is scheduled to be paid to such Participant or (ii) reduce the principal, interest, fees or other amounts payable to such Participant. Subject to subsection (f) of this Section, the Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01 shall be delivered to the participating Lender). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.09 as though it were a Lender, provided such Participant agrees to be subject to Section 2.12 as though it were a Lender.

(e) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register in the United States 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 the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under U.S. Treasury Regulations Section 5f.103-1(c) and Proposed Treasury Regulations 1.163-5(b) (or any amended or successor version). The entries in the Participant Register shall be conclusive, absent manifest error, and such 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.

(f) A Participant shall not be entitled to receive any greater payment under this Agreement than the Lenders would have been entitled to receive under similar circumstances, unless the sale of the participation to such Participant is made with the Company's prior written consent. A

Participant that would be a Foreign Person if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Company is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Sections 3.01(f) and 3.09 as though it were a Lender.

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(h) If the consent of the Company to an assignment or to an Eligible Assignee is required hereunder (including a consent to an assignment which does not meet the minimum assignment threshold specified in Section 10.07(b)), the Company shall be deemed to have given its consent ten Business Days after the date written notice thereof has been delivered by the assigning Lender to the Company (through the Administrative Agent) unless such consent is expressly refused by the Company prior to such tenth Business Day (except that there shall be no deemed consent with respect to assignment to a Disqualified Institution).

(i) As used herein, the following terms have the following meanings:

"Eligible Assignee" means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a natural Person) approved by (1) the Administrative Agent and (2) unless an Event of Default specified in clauses (a) or (f) of Article VIII has occurred and is continuing, the Company (each such approval not to be unreasonably withheld or delayed), provided, however, that no Disqualified Institution, no Defaulting Lender or its Parent Company and none of the Company, any Subsidiary of the Company, or any Affiliate of the Company or any Subsidiary of the Company or any company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof shall be an Eligible Assignee.

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

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

(j) [Intentionally Omitted].

(k) Disqualified Institutions.

(l) No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the assigning Lender entered into a binding agreement to sell and assign or grant a participation in all or a portion of its rights and obligations under this Agreement to such Person (unless the

Company has consented to such assignment or participation in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). For the avoidance of doubt, with respect to any assignee or Participant that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a written supplement to the list of "Disqualified Institutions" referred to in, the definition of "Disqualified Institution"), (x)

such assignee or Participant shall not retroactively be disqualified from becoming a Lender or Participant and (y) the execution by the Company of an Assignment and Acceptance with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment or participation in violation of this clause (k)(i) shall not be void, but the other provisions of this clause (k) shall apply.

(ii) If any assignment or participation is made to any Disqualified Institution without the Company's prior written consent in violation of clause (i) above, or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Company may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 10.07), all of its interest, rights and obligations under this Agreement to one or more Eligible Assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions to whom an assignment or participation is made in violation of clause (i) above (A) will not have the right to (x) receive information, reports or other materials provided to Lenders by the Company, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter and (y) for purposes of voting on any plan of reorganization, each Disqualified Institution party hereto hereby agrees (1) not to vote on such plan of reorganization, (2) if such Disqualified Institution does vote on such plan of reorganization notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has

accepted or rejected such plan of reorganization in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other applicable laws) and (3) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(iv) The Administrative Agent shall have the right, and the Company hereby expressly authorizes the Administrative Agent, to (x) post the list of Disqualified Institutions provided by the Company and any updates thereto from time to time (collectively, the "DQ List") on an Approved Electronic Platform, including that portion of such Approved Electronic Platform that is designated for "public side" Lenders and/or (y) provide the DQ List to each Lender or potential Lender requesting the same.

(v) The Administrative Agent and the Lenders shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, neither the Administrative Agent nor any Lender shall (x) be obligated to ascertain, monitor or inquire as to whether any other Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, by any other Person to any Disqualified Institution.

10.08 Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent requested by any regulatory authority; (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process; (d) to any other party to this Agreement; (e) as is required in the good faith view of the Administrative Agent or the Lenders, in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section 10.08, to (i) any Eligible Assignee of or Participant in, or any prospective Eligible Assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrowers; (g) with the prior written consent of the Company; (h) to the extent such Information (i) becomes publicly available other than as a

result of a breach of this Section 10.08 or (ii) becomes available to the Administrative Agent or any Lender on a nonconfidential basis from a source other than the Company; (i) to the National Association of Insurance Commissioners or any other similar organization or any nationally recognized rating agency that requires access to information about a Lender's or its Affiliates' investment portfolio in connection with ratings issued with respect to such Lender or its Affiliates, or (j) to the extent requested by any regulatory agency or authority purporting to have jurisdiction over such Lender or its Affiliates (including any self-regulatory authority).

For the purposes of this Section, "Information" means all information received from the Company or its representatives relating to the Company, its Subsidiaries or their business, other than (i) any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Company, (ii) information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry and (iii) the DQ List (which may be disclosed to any assignee or Participant, or prospective assignee or Participant). Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

10.09 Set-off. In addition to any rights and remedies of the Lenders provided by law, upon the occurrence and during the continuance of any Event of Default, each Lender and its Affiliates is authorized at any time and from time to time, without prior notice to the Company, any such notice being waived by the Company to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, but excluding payroll deposits and deposits held in a bona fide custodial or fiduciary capacity for Persons not Affiliates of the Company) at any time held by, and other indebtedness at any time owing by, such Lender to or for the credit or the account of the Borrowers against any and all Obligations owing to such Lender, now or hereafter existing, irrespective of whether or not the Administrative Agent or such Lender shall have made demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured. Each Lender agrees promptly to notify the Company and the Administrative Agent after any such set-off and application made by such Lender; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.

10.10 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Company. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations.

10.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 10.02), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature

transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, electronic deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Company or any other Borrower without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Company and each other Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the

Lenders, the Company and the other Borrowers, Electronic Signatures transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) agrees that the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of any Borrower to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

10.12 Integration. This Agreement, together with the other Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the

Administrative Agent or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

10.13 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or Event of Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation shall remain unpaid or unsatisfied.

10.14 Severability. Any provision of this Agreement and the other Loan Documents to which any Borrower is a party that is 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 thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.15 Removal and Replacement of Lenders.

(a) If (i) any Lender is a Defaulting Lender, (ii) in connection with any proposed amendment, modification, termination, waiver or consent with respect to any of the provisions hereof as contemplated by [Section 10.01](#), the consent of Required Lenders shall have been obtained but the consent of one or more other Lenders (each a "Non-Consenting Lender") whose consent is required shall not have been obtained or (iii) under any other circumstances set forth herein providing that the Company shall have the right to remove or replace a Lender as a party to this Agreement, the Company may, upon notice to such Lender and the Administrative Agent, (1) remove such Lender by terminating (on a non-ratable basis) such Lender's Commitment or (2) replace such Lender by causing such Lender to assign its Commitment (without payment of any assignment fee) pursuant to [Section 10.07\(b\)](#) to one or more other Lenders or Eligible Assignees procured by the Company; provided, however, that (w) if the Company elects to exercise such right with respect to any Lender pursuant to [Section 3.06\(b\)](#), it shall be obligated to remove or replace, as the case may be, all Lenders that have made similar requests for compensation pursuant to [Section 3.01, 3.04 or 3.07](#), (x) if the Company elects to exercise such right with respect to any Non-Consenting Lender, it shall be obligated to replace all other Lenders whose consent was required but not obtained with respect to the applicable amendment, modification, termination, waiver or consent, (y) the Company may not elect to exercise such right with respect to any Lender seeking payment or reimbursement for Taxes pursuant to [Section 3.01](#) during the six months immediately following the designation by the Company of a Borrower not organized in the United States to the extent that (A) such Taxes result from the designation by the Company of a Borrower not organized in the United States, and (B) such Lender uses its commercially reasonable efforts to mitigate or eliminate such Taxes after such designation, including without limitation making appropriate filings with Governmental Authorities in the jurisdiction in which such Borrower is organized and (z) the Company shall, or shall cause the applicable

Borrower or assignee Lender to, as a condition to such replacement or removal, (1) pay in full all principal, accrued interest, accrued fees and other amounts owing to such Lender through the date of termination or assignment (including any amounts payable pursuant to Section 3.05), and (2) release such Lender from its obligations under the Loan Documents. Each party hereto agrees that any assignment required pursuant to this Section 10.15(a) may be effected pursuant to an Assignment and Acceptance executed by the Company, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Acceptance by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto. The Administrative Agent shall distribute an amended Schedule 2.01, which shall be deemed incorporated into this Agreement, to reflect changes in the identities of the Lenders and adjustments of their respective Commitments and Pro Rata Shares resulting from any such removal or replacement.

(b) In order to make all the Lenders' interests in any outstanding Credit Extensions ratable in accordance with any revised Pro Rata Shares after giving effect to the removal or replacement of a Lender, the Borrowers shall pay or prepay, if necessary, on the effective date thereof, all outstanding Revolving Loans of all Lenders, together with any amounts due under Section 3.05. The Borrowers may then request Revolving Loans from the Lenders in accordance with their revised Pro Rata Shares. The Borrowers may net any payments required hereunder against any funds being provided by any Lender or Eligible Assignee replacing a terminating Lender. The effect for purposes of this Agreement shall be the same as if separate transfers of funds had been made with respect thereto.

(c) This Section shall supersede any provision in Section 10.01 to the contrary.

10.16 GoverningLaw.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE ADMINISTRATIVE AGENT AND EACH PARTY SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE BORROWERS, THE ADMINISTRATIVE AGENT AND EACH LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS. THE BORROWERS, THE ADMINISTRATIVE AGENT AND EACH LENDER IRREVOCABLY WAIVES

ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF ANY LOAN DOCUMENT OR OTHER DOCUMENT RELATED THERETO. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL WAIVE ANY STATUTORY, REGULATORY, COMMON LAW, OR OTHER RULE, DOCTRINE, LEGAL RESTRICTION, PROVISION OR THE LIKE PROVIDING FOR THE TREATMENT OF BANK BRANCHES, BANK AGENCIES, OR OTHER BANK OFFICES AS IF THEY WERE SEPARATE JURIDICAL ENTITIES FOR CERTAIN PURPOSES, INCLUDING UNIFORM COMMERCIAL CODE SECTIONS 4-106, 4-A-105(1)(B), AND 5-116(B), UCP 600 ARTICLE 3 AND ISP98 RULE 2.02, AND URDG 758 ARTICLE 3(A).

(c) THE BORROWERS, THE ADMINISTRATIVE AGENT AND EACH LENDER WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY THE LAW OF SUCH STATE (WHICH IF NOT MADE BY PERSONAL SERVICE SHALL ALSO BE COPIED TO THE COMPANY AT ITS ADDRESS SET FORTH IN SCHEDULE 10.02). EACH SUBSIDIARY BORROWER IRREVOCABLY DESIGNATES AND APPOINTS THE COMPANY, AS ITS AUTHORIZED AGENT, TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF, SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUIT, ACTION OR PROCEEDING OF THE NATURE REFERRED TO IN SECTION 10.16(B) IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE. THE COMPANY HEREBY REPRESENTS, WARRANTS AND CONFIRMS THAT THE COMPANY HAS AGREED TO ACCEPT SUCH APPOINTMENT. SAID DESIGNATION AND APPOINTMENT SHALL BE IRREVOCABLE BY EACH SUCH SUBSIDIARY BORROWER UNTIL ALL LOANS, INTEREST THEREON AND ALL OTHER AMOUNTS PAYABLE BY SUCH SUBSIDIARY BORROWER HEREUNDER AND UNDER THE OTHER

LOAN DOCUMENTS SHALL HAVE BEEN PAID IN FULL IN ACCORDANCE WITH THE PROVISIONS HEREOF AND THEREOF AND SUCH SUBSIDIARY BORROWER SHALL HAVE BEEN TERMINATED AS A BORROWER HEREUNDER PURSUANT TO SECTION 2.16. EACH SUBSIDIARY BORROWER HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING OF THE NATURE REFERRED TO IN SECTION 10.16(B) IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE, IN EACH CASE BY SERVICE OF PROCESS UPON THE COMPANY AS PROVIDED IN THIS SECTION 10.16(C); PROVIDED THAT, TO THE EXTENT LAWFUL AND POSSIBLE, NOTICE OF SAID SERVICE UPON SUCH AGENT SHALL BE MAILED BY REGISTERED OR CERTIFIED AIR MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO THE COMPANY AND (IF APPLICABLE TO) SUCH SUBSIDIARY BORROWER AT ITS ADDRESS SET FORTH IN THE SUBSIDIARY JOINDER AGREEMENT TO WHICH IT IS A PARTY OR TO ANY OTHER ADDRESS OF WHICH SUCH SUBSIDIARY BORROWER SHALL HAVE GIVEN WRITTEN NOTICE TO THE ADMINISTRATIVE AGENT (WITH A COPY THEREOF TO THE COMPANY). EACH SUBSIDIARY BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED

BY LAW, ALL CLAIM OF ERROR BY REASON OF ANY SUCH SERVICE IN SUCH MANNER AND AGREES THAT SUCH SERVICE SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON SUCH SUBSIDIARY BORROWER IN ANY SUCH SUIT, ACTION OR PROCEEDING AND SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, BE TAKEN AND HELD TO BE VALID AND PERSONAL SERVICE UPON AND PERSONAL DELIVERY TO SUCH SUBSIDIARY BORROWER. TO THE EXTENT ANY SUBSIDIARY BORROWER HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER FROM SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OF A JUDGMENT, EXECUTION OR OTHERWISE), EACH SUBSIDIARY BORROWER HEREBY IRREVOCABLY WAIVES, TO THE EXTENT PERMITTED BY LAW, SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THE LOAN DOCUMENTS.

10.17 Waiver of Right to Trial by Jury. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

10.18 Waiver of Right to Consequential Damages.

(a) Except as specifically permitted pursuant to Section 10.05, to the extent permitted by applicable Law, each party to this Agreement shall not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to actual or direct damages) arising out of, in connection with or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated therein, any Loan or the use of proceeds thereof.

(b) Neither the Borrowers nor any Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through any Approved Electronic Platform, except as a result of such Borrower's or such Indemnitee's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and non-appealable judgment.

10.19 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT

ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

10.20 Patriot Act Notice. The Administrative Agent and each Lender hereby notifies the Borrowers that, pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrowers which information includes the name, address and tax identification number of the Borrowers and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrowers in accordance with the Patriot Act and the Beneficial Ownership Regulation and other applicable "know your customer" and anti-money laundering rules and regulations. The Company shall, and shall cause each Borrower to, provide to the extent commercially reasonable, such information and take such actions as are reasonably requested by the

Administrative Agent or any Lender in order to assist the Administrative Agent and the Lenders in maintaining compliance with the PatriotAct and the Beneficial Ownership Regulation. Each Canadian Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and other applicable Canadian anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws, the Lenders and the Administrative Agent may be required to obtain, verify and record information regarding such Canadian Borrower, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Canadian Borrower, and the transactions contemplated hereby.

10.21 Location of Closing. Each Lender acknowledges and agrees that it has delivered, with the intent to be bound, its executed counterparts of this Agreement to the Administrative Agent, c/o Latham & Watkins LLP, 330 North Wabash Avenue, Chicago, Illinois 60611. The Company acknowledges and agrees that it has delivered, with the intent to be bound, its executed counterparts of this Agreement and each other Loan Document, together with all other documents, instruments, opinions, certificates and other items required under Section 4.01, to the Administrative Agent, c/o Latham & Watkins LLP, 330 North Wabash Avenue, Chicago, Illinois 60611. All parties agree that closing of the transactions contemplated by this Agreement has occurred in NewYork.

10.22 Currency Conversion. All payments under this Agreement or any other Loan Document shall be made in Dollars, except for Loans funded in any Foreign Currency, which shall be repaid, including interest thereon, in such Foreign Currency. If any payment by the Borrowers or the proceeds of any collateral shall be made in a currency other than the currency required hereunder, such amount shall be converted into the currency required hereunder at the rate determined by the Administrative Agent as the rate quoted by it in accordance with methods customarily used by suchPerson for such or similar purposes as the spot rate for the purchase by such Person of the required currency with the currency of actual payment through its principal foreign exchange trading office (including, in the case of the Administrative Agent, any Affiliate) at approximately 11:00 A.M. (local time at such office) two Business Days prior to the effective date of such conversion, provided that the Administrative Agent may obtain such spot rate from another financial institution actively engaged in foreign currency exchange if the Administrative Agent does not then have a spot rate for the required currency. The parties hereto hereby agree, to the fullest extent that they may effectively do so under applicable law, that (a) if for the purposes of obtaining any judgment or award it becomes necessary to convert from any currency other than the currency required hereunder into the currency required

hereunder any amount in connection with the Obligations, then the conversion shall be made as provided above on the Business Day before the day on which the judgment or award is given, (b) in the event that there is a change in the applicable conversion rate prevailing between the Business Day before the day on which the judgment or award is given and the date of payment, the Borrowers will pay to the Administrative Agent, for the benefit of the Lenders, such additional amounts (if any) as may be necessary, and the Administrative Agent, on behalf of the Lenders, will pay to the Company such excess amounts (if any) as result from such change in the rate of exchange, to assure that the amount paid on such date is the amount in such other currency, which when converted at the conversionrate described herein on the date of payment, is the amount then due in the currency required hereunder, and (c) any amount due from the Borrowers under this Section 10.22 shall be due as a separate debt and shall not be affected by judgment or award being obtained for any other sum due.

10.23 Determination of Dollar Equivalents. The Administrative Agent will determine the Dollar Equivalent of:

(a) any Loan denominated in a Foreign Currency, on each of the following: (i) the date of the Borrowing of such Loan and (ii)(A) with respect to any Term Benchmark Loan, each date of a conversion or continuation of such Loan pursuant to the terms of this Agreement and (B) with respect to any RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month), and

(b) any Credit Event, on any additional date as the Administrative Agent may determine at any time when an Event of Default exists.

Each day upon or as of which the Administrative Agent determines Dollar Equivalents as described in the preceding clauses (a) and (b) is herein described as a "Calculation Date" with respect to each Credit Event for which a Dollar Equivalent is determined on or as of such day.

10.24 Market Disruption. Notwithstanding the satisfaction of all conditions referred to in Article II, Article III and Article IV with respect to any Borrowing in any Foreign Currency, if (a) there shall occur on or prior to the date of such Borrowing any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which would in the reasonable opinion of the Administrative Agent or the Required Lenders make it impossible for the applicable Borrowing to be denominated in the Agreed Currency specified by the Company or (b) the Dollar Equivalent amount of such Agreed Currency is not readily calculable, then the Administrative Agent shall forthwith give notice thereof to the Company and the Lenders and such Borrowing shall not be denominated in such Foreign Currency, but shall be

made on the date of such requested Borrowing in Dollars in an aggregate principal amount equal to the Dollar Equivalent specified in the Revolving Loan Notices as Base Rate Loans.

10.25 Unrestricted Subsidiaries. After the Closing Date, the Company shall have the right to designate any Subsidiary (other than any Subsidiary Borrower or any former Subsidiary Borrower) from time to time as an "Unrestricted Subsidiary" for purposes of this Agreement, within 30

days after the creation or acquisition of such Subsidiary, by giving written notice thereof to the Administrative Agent so long as no Default or Event of Default has occurred and is continuing or, after giving pro forma effect thereto, would result therefrom (including under Section 7.05). The Company may redesignate any Unrestricted Subsidiary as a Restricted Subsidiary so long as no Default or Event of Default has occurred and is continuing or would result therefrom; provided, that such Restricted Subsidiary may not thereafter be redesignated as an Unrestricted Subsidiary.

10.26 No Advisory or Fiduciary Responsibility. Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to such Borrower with respect to the Loan Documents and the transaction contemplated therein and not as a financial advisor or a fiduciary to, or an agent of, such Borrower or any other person. Each Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, each Borrower acknowledges and agrees that no Credit Party is advising such Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. Each Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Credit Parties shall have no responsibility or liability to any Borrower with respect thereto.

Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, in addition to providing or participating in commercial lending facilities such as that provided hereunder, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, such Borrower, its Subsidiaries and other companies with which such Borrower or any of its Subsidiaries may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its Affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which such Borrower or any of its Subsidiaries may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from any Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with such Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the

Loan Documents, or to furnish to such Borrower or any of its Subsidiaries, confidential information obtained from other companies.

10.27 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;

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

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

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

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer

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

10.29 Termination of Commitments under Existing 364-Day Credit Agreement. Each of the signatories hereto that is also a party to the Existing 364-Day Credit Agreement hereby agrees that, on and as of the Closing Date, all of the "Commitments" (as defined in the Existing 364-Day Credit Agreement) will be terminated and cancelled automatically and any and all required notice periods in connection with such termination and any repayments or prepayments in connection therewith are hereby waived and of no further force and effect.

ARTICLE XI. COMPANY GUARANTY

11.01 Guaranty. The Company hereby agrees that the Company is jointly and severally liable for, and hereby absolutely and unconditionally guarantees to the Administrative Agent and the Lenders and their respective successors and assigns, the full and prompt payment (whether at stated maturity, by acceleration or otherwise) and performance of, all Obligations owed or hereafter owing by each other Borrower. The Company agrees that its guaranty obligation hereunder (the "Guaranty Obligations") is a continuing guaranty of payment and performance and not of collection, that its obligations under this Article XI shall not be discharged until payment and performance, in full, of the Obligations has occurred, and that its obligations under this Article XI shall be absolute, irrevocable and unconditional, irrespective of, and unaffected by,

(a) the genuineness, validity, regularity, enforceability or any future amendment of, or change in, this Agreement, any other Loan Document, or any other agreement, document or instrument to which any Borrower is or may become a party;

(b) the absence of any action to enforce this Agreement (including this Article XI) or any other Loan Document or the waiver or consent by the Administrative Agent or any Lender with respect to any of the provisions thereof;

(c) the existence, value or condition of, or failure to perfect a Lien, if any, against, any security for the Obligations or any action, or the absence of any action, by the Administrative Agent or any Lender in respect thereof (including the release of any such security);

- (d) the insolvency of any Borrower;
- (e) any law or regulation of any jurisdiction or any other event affecting any term of a Guaranty Obligation; or
- (f) any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor.

The Company shall be regarded, and shall be in the same position, as principal debtor with respect to the Obligations guaranteed hereunder.

11.02 Waivers. To the fullest extent permitted by applicable law, the Company waives presentment or protest to or demand of the other Borrowers of any of the Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment. The Company expressly waives all rights it may have now or in the future under any statute, or at common law, or at law or in equity, or otherwise, to compel the Administrative Agent or any Lender to marshal assets or to proceed in respect of the Obligations guaranteed hereunder against any other Borrower, any other party or against any security for the payment and performance of the Obligations before proceeding against, or as a condition to proceeding against, the Company. It is agreed among each Borrower, the Administrative Agent and the Lenders that the foregoing waivers are of the essence of the transaction contemplated by this Agreement and the other Loan Documents and that, but for the provisions of this Article XI and such waivers, the Administrative Agent and the Lenders would decline to enter into this Agreement.

11.03 Benefit of Guaranty. The Company agrees that the provisions of this Article XI are for the benefit of the Administrative Agent and the Lenders and their respective successors, transferees, endorsees and assigns, and nothing herein contained shall impair, as between any other Borrower and the Administrative Agent or Lenders, the obligations of such other Borrower under the Loan Documents.

11.04 Waiver of Subrogation, Etc. Notwithstanding anything to the contrary in this Agreement or in any other Loan Document until the Obligations of the Borrowers are paid in full and the Agreement has been terminated, the Company hereby expressly and irrevocably waives any and all rights at law or in equity to subrogation, reimbursement, exoneration, contribution, indemnification or set off and any and all defenses available to a surety, guarantor or accommodation co-obligor. The Company acknowledges and agrees that this waiver is intended to benefit the Administrative Agent and the Lenders and shall not limit or otherwise affect the Company's liability hereunder or the enforceability of this Article XI, and that the Administrative Agent and the Lenders and their respective successors and assigns are intended third party beneficiaries of the waivers and agreements set forth in this Section 11.04.

11.05 Election of Remedies. If the Administrative Agent or any Lender may, under applicable law, proceed to realize its benefits under any of the Loan Documents giving the Administrative Agent or such Lender a Lien upon any collateral, whether owned by any Borrower or by any other Person, either by judicial foreclosure or by non-judicial sale or enforcement, the Administrative Agent or any Lender may, at its sole option, determine which of its remedies or rights it may pursue without

affecting any of its rights and remedies under this Article XI. If, in the exercise of any of its rights and remedies, the Administrative Agent or any Lender shall forfeit any of its rights or remedies, including its right to enter a deficiency judgment against any Borrower or any other Person, whether because of any applicable laws pertaining to "election of remedies" or the like, each Borrower hereby consents to such action by the Administrative Agent or such Lender and waives any claim based upon such action, even if such action by the Administrative Agent or such Lender shall result in a full or partial loss of any rights of subrogation that each Borrower might otherwise have had but for such action by the Administrative Agent or such Lender. Any election of remedies that results in the denial or impairment of the right of the Administrative Agent or any Lender to seek a deficiency judgment against any Borrower shall not impair the Company's obligation to pay the full amount of the Obligations. In the event the Administrative Agent or any Lender shall bid at any foreclosure or trustee's sale or at any private sale permitted by law or the Loan Documents, the Administrative Agent or such Lender may bid all or less than the amount of the Obligations and the amount of such bid need not be paid by the Administrative Agent or such Lender but shall be credited against the Obligations. The amount of the successful bid at any such sale, whether the Administrative Agent, a Lender or any other party is the successful bidder, shall be conclusively deemed to be the fair market value of the collateral and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Article XI, notwithstanding that any present or future law or court decision or ruling may have the effect of reducing the amount of any deficiency claim to which the Administrative Agent or any Lender might otherwise be entitled but for such bidding at any such sale.

11.06 Liability Cumulative. The liability of the Company under this Article XI is in addition to and shall be cumulative with all liabilities of the Company to the Administrative Agent and the Lenders under this Agreement and the other Loan Documents or in respect of any

Obligations or obligation of the other Borrowers, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

11.07 Reinstatement. The obligations of the Company under this Article XI shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Borrower, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

L3HARRIS TECHNOLOGIES, INC.,
as Company

By: /s/ Toni L. George
Name: Toni L. George
Title: Vice President, Financial Planning & Analysis
and Treasurer

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By: /s/ Marlon Mathews
Name: Marlon Mathews
Title: Executive Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Prathamesh Kshirsagar
Name: Prathamesh Kshirsagar
Title: Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Ken Gorski
Name: Ken Gorski
Title: Vice President

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL, ASSOCIATION,
as a Lender

By: /s/ Adam Spreyer
Name Adam Spreyer
Title: Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
as a Lender

By: /s/ David Perlman
Name: David Perlman
Title: Authorized Signatory

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

MIZUHO BANK, LTD.,
as a Lender

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Executive Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By: /s/ Minxiao Tian
Name: Minxiao Tian
Title: Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

THE BANK OF NOVA SCOTIA,
as a Lender

By: /s/ Catherine Jones
Name: Catherine Jones
Title: Managing Director

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

[SIGNATURE PAGE TO 364-DAY CREDIT AGREEMENT]

SCHEDULE 2.01

Commitment Amounts

Lender	Commitment Amount
JPMorgan Chase Bank, N.A.	\$187,500,000
Bank of America, N.A.	\$187,500,000
U.S. Bank National Association	\$187,500,000
Wells Fargo Bank, National Association	\$187,500,000
The Toronto-Dominion Bank, New York Branch	\$187,500,000
Mizuho Bank, Ltd.	\$187,500,000
Sumitomo Mitsui Banking Corporation	\$187,500,000
The Bank of Nova Scotia	\$187,500,000
<u>TOTAL</u>	<u>\$1,500,000,000</u>

SCHEDULE 5.06

LITIGATION

None.

SCHEDULE 10.02

LENDING OFFICES, ADDRESSES FOR NOTICES

L3HARRIS TECHNOLOGIES, INC.

L3Harris Technologies, Inc.
1025 West NASA Boulevard
Melbourne, FL 32919

Attention: Toni George, Vice President, Financial Planning & Analysis and Treasurer
Telephone: (321) 724-3443
Email: toni.george@l3harris.com
Website: www.l3harris.com

With a Copy to:

L3Harris Technologies, Inc.
1025 West NASA Boulevard
Melbourne, FL 32919

Attention: Alexis Haber
Telephone: (321) 724-3152
Email: alexis.haber@l3harris.com
Website: www.l3harris.com

With a Copy to:

L3Harris Technologies, Inc.
1025 West NASA Boulevard
Melbourne, FL 32919

Attention: Kimberly O'Rourke
Telephone: (321) 724-3494
Email: kimberly.orourke@l3harris.com
Website: www.l3harris.com

JPMORGAN CHASE BANK, N.A., as Administrative Agent

Administrative Agent – Borrowing and Notices

In the case of Borrowings:

JPMorgan Chase Bank, N.A.
131 S Dearborn Street, Floor 04

SCHEDULE 10.02

Chicago, Illinois 60603-5506

Attention: Loan and Agency Servicing

Email: jpm.agency.cri@jpmorgan.com in each case with a copy to:

JPMorgan Chase Bank, N.A.

8181 Communications Pkwy, Bldg B, 6th Floor

Plano, Texas 75024

Attention: Ryan Murray

Email: ryan.murray@jpmchase.com

For a notification of the DQ List, to JPMDQ_Contact@jpmorgan.com

EXHIBIT A

FORM OF REVOLVING LOAN NOTICE

Date: _____, _____

To: JPMorgan Chase Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation ("the L3Harris Company"), heretofore has adopted the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and maintains JPMorgan Chase Bank, N.A., as Administrative Agent.

The undersigned hereby requests (select one):

A Borrowing of Revolving Loans A conversion or continuation of Revolving Loans

1. On behalf of [ApplicableBorrower].
2. On _____ (a BusinessDay).
3. In the L3Harris Retirement Savings Plan, as amended principal amount of [\$][€][£] _____ in [Dollars][Euro][Sterling].
4. Type of Borrowing [Base Rate][Term Benchmark][RFR]1
5. For Term Benchmark Loans: with an Interest Period of _____ months.
6. If applicable, the Revolving Loan from which the requested Revolving Loan will be converted or continued:

7. The Company requests that the proceeds of the Revolving Borrowing requested hereby be wire transferred to the accounts of the following Persons at the financial institutions indicated below:

<u>Amount</u>	<u>Name</u>	<u>Account</u>	<u>Address</u>
_____	_____	_____	_____

The Revolving Borrowing requested herein complies with the proviso to the first sentence of Section 2.01 of the Agreement. Other than in connection with a conversion or continuation of Revolving Loans, the undersigned hereby certifies that the following statements are and restated effective January 1, 2021 (the "will be true and

1Plan"); Base Rate applicable only for Borrowings in Dollars.

EXHIBIT A

correct on the date of the Credit Extension requested above, both before and after giving effect to the Credit Extension requested above:

WHEREAS, (a) The representations and warranties made by the Borrowers in Article V of the Agreement (but excluding the representation set forth in Section 5.05(b) of the Agreement) are and will be true and correct in all material respects (other than those representations and warranties that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties shall be true and correct in all respects) on and as of the date of the Credit Extension requested above, except to the extent that such representations and warranties specifically refer to any earlier date; and

(b) no Default or Event of Default has occurred and is continuing on the date hereof or after giving effect to the Credit Extension requested above.

L3HARRIS TECHNOLOGIES, INC.

By:

Name:

Title:

EXHIBIT B

FORM OF ASSIGNMENT AND ACCEPTANCE

[date to be supplied]

Reference is made to the 364-Day Agreement dated as of January 26, 2024 (as amended and in effect on the date hereof, the "Credit Agreement"), among L3Harris Technologies, Inc., a Delaware corporation, the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for such Lenders. Terms defined in the Credit Agreement are used herein with the samemeanings.

The [name of assignor] (the "Assignor") hereby sells and assigns, without recourse, to [name of assignee] (the "Assignee"), and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Assignment Date set forth below, the interests set forth below (the "Assigned Interest") in the Assignor's rights and obligations under the Credit Agreement, including, without limitation, the Commitment of the Assignor on the Assignment Date and Revolving Loans owing to the Assignor which are outstanding on the Assignment Date, but excluding accrued interest and fees to and excluding the Assignment Date. The Assignee hereby acknowledges receipt of a copy of the Credit Agreement. From and after the Assignment Date (i) the Assignee shall be a party to and be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent of the Assigned Interest, relinquish its rights and be released from its obligations under the Credit Agreement.

This Assignment and Acceptance is being delivered to the Administrative Agent together with (i) any documentation required to be delivered by the Assignee pursuant to Section 17.13.01(f) of the Plan, Credit Agreement, duly completed and executed by the Employee Benefits Committee Assignee, and (ii) if the Assignee is not already a Lender under the Credit Agreement, an administrative questionnaire in the form supplied by the Administrative Agent, duly completed by the Assignee. The Assignee shall pay the fee payable to the Administrative Agent pursuant to Section 10.07(b) of L3Harris (the Credit Agreement).

The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby, and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrowers, any of their Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document, (iv) any requirements under applicable law for the Assignee to become a lender under the Credit Agreement or to charge interest at the rate set forth therein from time to time or (v) the performance or observance by the Borrowers, any of their Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the

transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement and under applicable law that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type

represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest, (vi) it has independently and without reliance upon the Administrative Agent, any Arranger, the Assignor or any other Lender and based on such documents and information it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest, (vii) attached to the Assignment and Acceptance is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee and (viii) it is not a Defaulting Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender. Without limiting the foregoing, the Assignee represents and warrants, and agrees to, each of the matters set forth in Section 9.06 of the Credit Agreement, including that the Loan Documents set out the terms of a commercial lending facility.

From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date, unless otherwise agreed in writing by the Administrative Agent.

This Assignment and Acceptance shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Acceptance by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance. This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

Assignment Date:

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

EXHIBIT C

Effective Date of Assignment:

(“**Committee Effective Date**”) has the authority to amend the Plan;

Assigned Interest:

<u>Facility</u>	<u>Principal Amount Assigned</u>	<u>Percentage Assigned of Commitment (set forth, to at least 8 decimals, as a percentage of the aggregate Commitments of all Lenders thereunder)</u>

WHEREAS, Revolving pursuant to Section 13.3 of the Plan, the Committee has delegated certain of such amendment authority to the head of global benefits of L3Harris (currently, the Senior Director, Global Benefits) (the “**Head of Global Benefits**”); and Loans: \$ %

WHEREAS, the Head of Global Benefits desires to amend the Plan's service crediting provisions to eliminate the additional year of service credited in the case of certain terminations due to a reduction in force.

NOW, THEREFORE, BE IT RESOLVED, that section (e) within the definition of "Service" The terms set forth in Article 2 above are hereby agreed to:

[Name of the Plan (Definitions) hereby is deleted in its entirety, effective for terminations Assignor], as Assignor

By:

Name:

Title:

[Name of employment occurring on or after July 18, 2023. Assignee], as Assignee

By:

APPROVED by the **HEAD OF GLOBAL BENEFITS** on this 17th day of July, 2023. Name:

Title:

EXHIBIT C

/s/ Allison Oncel The undersigned hereby consents to the within assignment²:

Allison Oncel

L3Harris Technologies, Inc.

JPMorgan Chase Bank, N.A., as Administrative Agent

By:

Name:

Title:

By:

Name:

Title:

² Consents to be included to the extent required by Section 10.07 of the Credit Agreement.

EXHIBIT D

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: _____

To: JPMorgan Chase Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement," the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. This Compliance Certificate is delivered pursuant to Section 6.04 of the Agreement.

The undersigned Responsible Officer hereby certifies on behalf of the Company as of the date hereof that he/she is the _____ of the Company, and that, as such, he/she is authorized to execute and deliver this Certificate to the Administrative Agent on the behalf of the Company, and that:

[Use following for fiscal year-end financial statements]

1. Attached hereto as Schedule 1 are the year-end audited financial statements required by Section 6.01(a) of the Agreement for the fiscal year of the Company ended as of the above date, together with the report and opinion of an independent certified public accountant required by such section.

[Use following for fiscal quarter-end financial statements]

1. Attached hereto as Schedule 1 are the quarterly unaudited financial statements required by Section 6.01(b) of the Agreement for the fiscal quarter of the Company ended as of the above date. Such financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company and its Subsidiaries in accordance with GAAP as at such date and for such period, subject only to normal year-end audit adjustments and the absence of footnotes.

2. [select one:]

[To the knowledge of the undersigned during such fiscal period, the Borrowers have in all material respects observed or performed all of their covenants and other agreements and satisfied every condition contained in the Loan Documents to be observed, performed or satisfied by them, and there is no Event of Default]

--or--

[The following covenants or conditions have not been performed or observed and the following is a list of each such Default or Event of Default and its nature and status:]

EXHIBIT D

3. The financial covenant analyses and information set forth on Schedule 2 attached hereto are true and accurate in all material respects on and as of the date of this Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, _____.

L3HARRIS TECHNOLOGIES, INC.

By:

Name:

Title:

For the Quarter/Year ended _____ ("Statement Date")

SCHEDULE 2

to the Compliance Certificate
(\$ amounts set forth in the right-hand columns are in 000's)

L3Harris Technologies, Inc.

and Restricted
Subsidiaries

L3Harris Technologies, Inc.
and all Subsidiaries

Unrestricted
Subsidiaries

**I. Section 7.05 – Consolidated Total Indebtedness to
Total Capital.**

**A. Consolidated Total Indebtedness at the Statement
Date:**

1. All amounts which would be included as Debt of
the Company and its Restricted Subsidiaries
(determined on a consolidated basis in accordance
with GAAP) as of the Statement Date (excluding
Debt of the Company's Unrestricted Subsidiaries
and pension liabilities):

\$ _____ \$ _____ \$ _____

2. The capitalized amount of remaining lease
payments under any Synthetic Lease Obligation of
the Company and its Restricted Subsidiaries that
would appear on a balance sheet of such Person
prepared as of the Statement Date in accordance
with GAAP if such lease were accounted for as a
Capital Lease:

\$ _____ \$ _____ \$ _____

3. Sum of Lines I.A.1 and I.A.2:

\$ _____ \$ _____ \$ _____

B. Total Capital:

1. The Total Shareholders' Equity of the Company and its Subsidiaries that would be reflected on the Company's consolidated balance sheet as of such date prepared in accordance with GAAP, including without duplication the minority-interest in Subsidiaries that are not wholly owned by the Company and excluding all equity interest in the Unrestricted Subsidiaries:	\$ _____	\$ _____	\$ _____
2. Consolidated Total Indebtedness (Line I.A.3):	\$ _____	\$ _____	\$ _____
3. Total Capital: (Line I.B.1 + Line I.B.2):	\$ _____	\$ _____	\$ _____
C. Actual ratio of Consolidated Total Indebtedness to Total Capital at the end of the Subject Period (Line I.B.2 to Line I.B.3):			_____ to 1.00
D. <i>Maximum permitted ratio of Consolidated Total Indebtedness to Total Capital:</i>			0.65 to 1.00

II. Section 7.01(y) – Liens

A. The aggregate amount of Debt and other indebtedness secured by any Liens permitted under Section 7.01(y) of the Agreement:	\$ _____	\$ _____	\$ _____
B. Consolidated Total Assets:	\$ _____	\$ _____	\$ _____
C. 10% of Consolidated Total Assets (10% of Line II.B):	\$ _____	\$ _____	\$ _____
D. Excess (deficiency) (Line II.A – Line II.C):	\$ _____	\$ _____	\$ _____

EXHIBIT E

[INTENTIONALLY OMITTED]

EXHIBIT F-1

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Person Recipients That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01 of the Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank for purposes of Section 881(c)(3)(A) of the Code, (iii) it is not a 10% shareholder of the Company within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the Code, (iv) it is not a controlled foreign corporation that is related to the Company within the meaning of Section 881(c)(3)(C) of the Code, and (v) payments of interest made under this Agreement are not effectively connected with a U.S. trade or business conducted by the undersigned.

The undersigned has furnished the Administrative Agent and the Company with a certificate of its Foreign Person status on IRS Form W-8BEN, W-8BEN-E or any successor form thereto. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Company and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Company and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF LENDER]

By:

Name:

Title:

Date: _____, 20[]

F-1-1

EXHIBIT F-2

FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Person Participant Recipients That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01 of the Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank for purposes of Section 881(c)(3)(A) of the Code, (iii) it is not a 10% shareholder of the Company within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the Code, (iv) it is not a controlled

foreign corporation related to the Company within the meaning of Section 881(c)(3)(C) of the Code, and (v) payments of interest made under this Agreement are not effectively connected with a U.S. trade or business conducted by the undersigned.

The undersigned has furnished its participating Lender with a certificate of its Foreign Person status on IRS Form W-8BEN, W-8BEN-E or any successor form thereto. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF PARTICIPANT]

By:

Name:

Title:

Date: _____, 20[]

F-2-1

EXHIBIT F-3

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Person Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement," the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01 of the Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business for purposes of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a 10% shareholder of the Company within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Company within the meaning of Section 881(c)(3)(C) of the Code, and (vi) payments of interest made under this Agreement are not effectively connected with a U.S. trade or business conducted by the undersigned.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective

certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF PARTICIPANT]

By:

Name:

Title:

Date: _____, 20[]

F-3-1

EXHIBIT F-4

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Person Recipients That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain 364-Day Agreement, dated as of January 26, 2024 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among L3Harris Technologies, Inc., a Delaware corporation (the "Company"), the Subsidiary Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01 of the Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business for purposes of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a 10% shareholder of the Company within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Company within the meaning of Section 881(c)(3)(C) of the Code, and (vi) payments of interest made under this Agreement are not effectively connected with a U.S. trade or business conducted by the undersigned.

The undersigned has furnished the Administrative Agent and the Company with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Company and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Company and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF LENDER]

By:

Name:

Title:

Date: _____, 20[]

F-4-1

EXHIBIT F-4

F-4-2

Exhibit 10.4

L3HARRISTECHNOLOGIES, INC. PERFORMANCE UNIT AWARD AGREEMENT

TERMS AND CONDITIONS

(As of February 13, 2024)

1. Performance Unit Award – Terms and Conditions. Pursuant to the written notice or letter of award (which may be in electronic form) (the "Award Notice") from L3 Harris Technologies, Inc. (the "Company") to the employee specified in the Award Notice (the "Employee"), the Company has granted to the Employee, on the terms and conditions set forth in the Award Notice and herein (these "Terms and Conditions" and collectively with the Award Notice and the Statement of Performance Goals (as defined below) related thereto, the "Agreement"), and under and otherwise subject to the provisions of the Company's 2015 Equity Incentive Plan (as may be amended from time to time, the "Plan"), a Performance Unit Award (the "Award") of such number of performance units specified in the Award Notice as being subject to the Award (such units, as may be adjusted in accordance with Sections 1(c), 1(d), and 1(e) of these Terms and Conditions, the "Performance Units"). At all times, each Performance Unit shall be equal in value to one share of common stock, \$1.00 par value per share (the "Common Stock"), of the Company (a "Share").

(a) Acceptance of Award; Performance Period. The Award must be accepted by the Employee using the acceptance methods specified by the Company (which may be in electronic form) within ninety (90) days following the grant date of the Award (or, if the Employee is on a Company-approved leave of absence from the Company at any time during such 90-day period, then within ninety (90) days following the Employee's return to active service with the Company from such leave of absence), and if not so accepted, the Award and all Performance Unit subject to the Award shall be automatically forfeited. For purposes of the Agreement, the "Performance Period" is the period beginning on commencement of the fiscal year during which the Award is granted and ending on expiration of the fiscal year that is two (2) fiscal years after the fiscal year during which the Award is granted (that is, a period of three (3) fiscal years), unless a different period is set forth and designated as the Performance Period in the Award Notice. The Board Committee may, in accordance with the

Plan and to the extent permitted by Section 409A of the Code (if applicable), accelerate the expiration of the Performance Period to some or all of the Performance Units at any time.

(b) Payout of Award. Provided the Award has not previously been forfeited, as soon as administratively practicable following the expiration of the Performance Period, but no later than the 15th day of the third month following the expiration of the Performance Period, the Company shall issue to the Employee in a single payment the number of Shares underlying the Performance Units to which the Employee is entitled pursuant thereto, subject to applicable withholdings and satisfaction thereof (including retaining Shares otherwise issuable) as provided in Section 13.2 of the Plan. Upon payout of the Award, the Company shall at its option cause the Shares to which the Employee is entitled pursuant thereto: (i) to be released without restriction on transfer by delivery to the custody of the Employee of a stock certificate in the name of the Employee or his or her designee or (ii) to be credited without restriction on transfer to a book-entry account for the benefit of the Employee or his or her designee maintained by the Company's stock transfer agent or its designee.

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(c) Satisfaction of Performance Objectives. Except as otherwise provided herein, the payout of the Award shall be contingent upon the attainment during the Performance Period of the performance objectives set forth in the Statement of Performance Goals (however designated) delivered or made available to the Employee at the time of the Award (the "Statement of Performance Goals"). Subject to the application of Section 4, the payout of the Award shall be determined upon the expiration of the Performance Period in accordance with the Statement of Performance Goals. The final determination of the payout of the Award will be authorized by the Board, the Board Committee, or its designee. Performance Units will be forfeited (i) if they are not earned at the end of the Performance Period or (ii) except as otherwise provided herein, if the Employee ceases to be employed by the Company at any time prior to the expiration of the Performance Period.

(d) Rights During Performance Period; Dividend Equivalents. During the Performance Period, the Employee shall not have any rights as a shareholder with respect to the Shares underlying the Performance Units. During the Performance Period, if the Company pays dividends or makes other distributions on the Common Stock, the Employee shall be entitled to receive from the Company at the time of payout in respect of the Award dividend equivalents for such dividends or other distributions, either in cash, in the case of a cash dividend or cash distribution, or other property, in the case of a non-cash dividend or non-cash distribution, as applicable, in respect of the number of Shares underlying the Performance Units to which the Employee is entitled pursuant thereto, in each case, subject to applicable withholdings and satisfaction thereof (including retaining Shares otherwise issuable) as provided in Section 13.2 of the Plan. No such dividend equivalents will be paid in respect of Performance Units that are forfeited or cancelled. No interest shall be paid on any such dividend equivalents. If the number of the Company's outstanding Shares is changed as a result of a stock dividend, stock split or the like, without additional consideration to the Company, the Performance Units subject to the Award shall be adjusted to correspond to the change in the Company's outstanding Shares. Upon the expiration of the Performance Period and payout of the Award, the Employee may exercise voting rights and shall be entitled to receive dividends and other distributions with respect to the number of Shares to which the Employee is entitled pursuant thereto.

(e) Adjustment Based on Change in Duties or Transfer of Employment. The number of Performance Units subject to the Award is based on the assumption that the Employee will continue to be assigned to perform substantially the same duties throughout the Performance Period, and such number of Performance Units may be reduced or increased by the Board or the Board Committee or its designee without formal amendment of the Agreement to reflect a change in assigned duties during the Performance Period. In addition, if the Employee transfers employment from one business unit of the Company or an Affiliate to another business unit or Affiliate during the Performance Period, the Employee shall be eligible to receive the number of Performance Units determined by the Board or the

BoardCommittee or its designee based upon such factors as the Board or the BoardCommittee or its designee, as the case may be, in its sole discretion may deem appropriate.

2. Prohibition Against Transfer. Until the expiration of the Performance Period and payout of the Award, the Award, the Performance Units subject to the Award, any interest in the Shares related thereto, and the rights granted under these Terms and Conditions and the Agreement are not transferable except by will or by the laws of descent and distribution in the event of the Employee's death. Without limiting the generality of the foregoing, except as aforesaid, until the

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expiration of the Performance Period and payout of the Award, the Award, the Performance Units subject to the Award, any interest in the Shares related thereto, and the rights granted under these Terms and Conditions and the Agreement may not be sold, exchanged, assigned, transferred, pledged, hypothecated, encumbered or otherwise disposed of, shall not be assignable by operation of law, and shall not be subject to execution, attachment, charge, alienation or similar process. Any attempt to effect any of the foregoing shall be null and void and without effect.

3. Forfeiture for Termination of Employment; Exceptions.

(a) Except in the event the Employee ceases to be an employee of the Company asset for in Section 3(b) (due to death, Disability (as defined below) or Other Disability (as defined below)) or asset for in Section 4 (due to certain circumstances in connection with a Change in Control of the Company that occurs following the grant date of the Award), it shall be a condition to the vesting of Performance Units and the payment of Shares following the expiration of the Performance Period that the Employee shall have remained continuously in the employ of the Company through the expiration of the first fiscal year of the Performance Period (the "Minimum Vesting Period"), and if the Minimum Vesting Period is not satisfied, the Award and any Performance Units or right to payment of Shares shall be immediately and automatically forfeited upon the Employee's termination of employment with the Company. Except in the event the Employee ceases to be an employee of the Company as set forth in Section 3(b) (due to death, Disability or Other Disability) or asset for in Section 4 (due to certain circumstances in connection with a Change in Control of the Company that occurs following the grant date of the Award) or as otherwise provided in the Award Notice, if the Employee ceases to be an employee of the Company following satisfaction of the Minimum Vesting Period but prior to the expiration of the Performance Period:

(i) for any reason other than those described in Section 3(a)(ii) (due to a Qualifying Early Retirement (as defined below) or an involuntary termination by the Company other than for Cause (as defined below)), Section 3(a)(iii) (due to a Qualifying Full Retirement (as defined below)), Section 3(b) or Section 4, all Performance Units subject to the Award shall be immediately and automatically forfeited upon such termination of employment;

(ii) due to (A) a Qualifying Early Retirement (as defined below) or (B) involuntary termination of employment of the Employee by the Company other than for Cause (as defined below), but excluding an involuntary termination that would be deemed to fall within the definition of a Qualifying Full Retirement, the Employee shall be eligible to receive a pro-rata portion of the payout in respect of the Performance Units which would have been made to the Employee under the Award at the end of the Performance Period determined in accordance with the provisions of Section 1(c) hereof, and the remaining payout and Performance Units subject to the Award shall be immediately and automatically forfeited. Such pro-rata portion shall be measured by a fraction, of which the numerator is the number of days of the Performance Period during which the Employee's employment continued, and the denominator is the number of days of the Performance Period. The pro-rata portion of the

payout in respect of the Performance Units required to be paid under this Section 3(a)(ii) shall be paid to the Employee at the time specified in Section 1(b); or

(iii) due to a Qualifying Full Retirement (as defined below), the Employee shall be entitled to receive a payout in respect of the Performance Units subject to the Award that would have been made to the Employee under the Award at the end of the Performance Period determined in accordance with the provisions of Section 1(c) hereof as though the Employee had continued employment through the end of the Performance Period and at the time specified in Section 1(b).

(b) Except in the event the Employee ceases to be an employee of the Company asset for in Section 4 herein (due to certain circumstances in connection with a Change in Control of the Company that occurs following the grant date of the Award), if the Employee ceases to be an employee of the Company prior to the expiration of the Performance Period (irrespective of the minimum vesting period) due to the Employee's (i) death, (ii) Disability or (iii) Other Disability, in each case, prior to a Change in Control covered in Section 4 herein, the Employee's heirs or beneficiaries or the Employee, as applicable, shall be fully vested in and entitled to receive a payout in respect of, a pro-rata portion of the number of Performance Units subject to the Award at the target level of performance, asset for in the Award Notice and/or Statement of Performance Goals (such number, the "Target Number" and such target level, the "Target Performance Level"), and the remaining payout and Performance Units subject to the Award shall be immediately and automatically forfeited. Such pro-rata portion shall be measured by a fraction, of which the numerator is the number of days of the Performance Period during which the Employee's employment continued, and the denominator is the number of days of the original Performance Period. The Performance Period shall immediately expire upon the Employee's death, Disability or Other Disability, as applicable, with respect to such pro-rata portion of the Target Number of Performance Units vested pursuant to the provisions of this Section 3(b), and the payout in respect of such Performance Units shall be made as soon as administratively practicable following the immediate expiration of the Performance Period, but in no event later than sixty (60) days following such immediate expiration of the Performance Period.

(c) For purposes of the Agreement:

(i) "Cause" shall have the meaning assigned to such term in the Plan. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. After a Change in Control of the Company that occurs following the grant date of the Award, (A) in the case of an employee who is appointed or elected by the Board as an officer of the Company (an "Officer"), Causes shall not exist unless and until the Company has delivered to the Employee a copy of a resolution duly adopted by three-quarters (3/4) of the entire Board at a meeting of the Board called and held for such purpose (after thirty (30) days' notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board an event set forth in the definition of "Cause" in the Plan has occurred and specifying the particular(s) thereof in detail; and (B) the Company must notify the Employee of any event constituting Cause within ninety (90) days following the Company's knowledge of its existence or such event shall not constitute Cause under the Agreement.

(ii) "Disability" means a total and permanent disability during which the Employee becomes entitled to a disability benefit under Title I of the Federal Social Security Act, as amended from time to time.

(iii) "Other Disability" means a total and permanent disability during which the Employee is entitled to receive disability benefits under the Company's applicable long-term disability plan or would have been entitled to receive disability benefits under such long-term disability plan had the Employee participated in such plan, which total and permanent disability does not otherwise come within the meaning of Disability.

(iv) "Qualifying Early Retirement" means retirement after age sixty (60) with five (5) or more years of full-time service with the Company but prior to being eligible for a Qualifying Full Retirement; provided, that in order for any such retirement to be a Qualifying Early Retirement, the Employee (A) has given written notice, in form reasonably satisfactory to the Company, to the Employee's supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that (1) specifies the Employee's intent to retire from the Company and the particular intended date of such retirement, which must be at least six (6) months after the date such written notice is given, and (2) has not been preceded by notice from the Company to the Employee of the actual or impending termination of employment of the Employee by the Company; and (B) has remained employed by the Company until the earlier of (x) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and the Employee) or (y) the date on which the Employee ceases to be an employee of the Company due to death or Disability or involuntary termination of employment of the Employee by the Company other than for Cause, in each case following the delivery of such notice.

(v) "Qualifying Full Retirement" means an Employee's retirement or involuntary termination of employment by the Company for a reason other than Cause, in either case after the Employee has attained age sixty-five (65) with ten (10) or more years of full-time service with the Company (attainment of such age and years of service is referred to as "Full Retirement Eligible"); provided that in order for an Employee's retirement (but not involuntary termination) to be a Qualifying Full Retirement, the Employee (A) has given written notice, in form reasonably satisfactory to the Company, to the Employee's supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that specifies the Employee's intent to retire from the Company and the particular intended date of such retirement, which must be at least six (6) months after the date such written notice is given; and (B) has remained employed by the Company until the earlier of (1) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and the Employee) or (2) the date on which the Employee ceases to be an employee of the Company due to death or Disability or involuntary termination of employment of the Employee by the Company other than for Cause, in each case following the delivery of such notice.

4. Change in Control.

(a) Upon a Change in Control of the Company that occurs following the grant date of the Award but prior to the end of the Performance Period, the performance objectives set forth in the Statement of Performance Goals shall be conclusively deemed to have been attained for the Performance Period upon the occurrence of such Change in Control at the Target Performance

Level under such performance objectives, or at such greater level of performance as the Board, the Board Committee or its designee may authorize (such level, as so determined, the “**Attained Performance Level**”), and the Minimum Vesting Period shall not apply. The payout of the Performance Units shall be paid to the Employee at the time specified in Section 1(b); provided, however, that, following such Change in Control but prior to the end of the Performance Period, if the Employee ceases to be an employee of the Company due to:

(i) the Employee’s (A) death, (B) Disability, (C) Other Disability, (D) involuntary termination of employment by the Company other than for Cause, (E) voluntary termination of employment by the Employee for Good Reason, (F) Qualifying Early Retirement or (G) Qualifying Full Retirement, the Performance Period shall immediately expire upon such termination, and the payout of the Performance Units at such Attained Performance Level shall be vested immediately and shall be paid as soon as administratively practicable following such termination, but in no event later than sixty (60) days thereafter; and

(ii) the Employee’s (A) resignation for a reason other than Good Reason or (B) termination for Cause, the payout of the Award shall be forfeited.

Notwithstanding anything in these Terms and Conditions or the Agreement to the contrary, (x) if the Employee’s employment is terminated by the Company other than for Cause, Disability or Other Disability within sixty (60) days prior to a Change in Control of the Company that occurs following the grant date of the Award, and the Employee reasonably demonstrates that such termination was at the request or suggestion of a third party who has indicated an intention or taken steps reasonably calculated to effect such a Change in Control (a “**Third Party**”) and such a Change in Control involving such Third Party occurs, then for all purposes of these Terms and Conditions and the Agreement, the date of such Change in Control shall mean the date immediately prior to the date of such termination of employment; and (y) if a Change in Control of the Company occurs following the grant date of the Award and the Company or its successor does not assume or continue, or substitute equivalent securities for, the Performance Units, then the Performance Period shall immediately expire upon the effective date of the Change in Control, and the payout of the Performance Units at the Attained Performance Level shall be vested immediately and shall be paid as soon as administratively practicable following such expiration of the Performance Period, but in no event later than sixty (60) days thereafter.

Any payout pursuant to this Section 4 shall be subject to applicable withholdings and satisfaction thereof (including retaining Shares otherwise issuable) as provided in Section 13.2 of the Plan.

(b) For purposes of the Agreement, “**Good Reason**” means, without the Employee’s express written consent, the occurrence of any of the following events after a Change in Control of the Company that occurs following the grant date of the Award: (i) if the Employee is an Officer immediately prior to such Change in Control, (A) any materially adverse diminution

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of the Employee’s position(s), duties, responsibilities or status with the Company as in effect immediately prior to such Change in Control or (B) any material adverse change in the Employee’s reporting responsibilities, titles or offices with the Company as in effect immediately prior to such Change in Control; (ii) a reduction by the Company in the Employee’s rate of annual base salary, annual target cash incentive bonus opportunity or annual target long-term incentive opportunity (including any adverse change in the formula for such annual target cash incentive bonus opportunity and/or annual target long-term incentive opportunity) as in effect immediately prior to such Change in Control or, at the same time, maybe increased from time to time thereafter; or (iii) any requirement of the Company that the Employee (A) be based anywhere more than fifty (50) miles

from the facility where the Employee is located at the time of such Change in Control or (B) travel on Company business to an extent substantially greater than the travel obligations of the Employee immediately prior to such Change in Control.

Any event or condition described in this Section 4(b) which occurs prior to a Change in Control of the Company that occurs following the grant date of the Award, but was at the request or suggestion of a Third Party who effectuates such Change in Control, shall constitute Good Reason following such Change in Control for purposes of these Terms and Conditions and the Agreement notwithstanding that it occurred prior to such Change in Control. An isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company within fifteen (15) days after receipt of notice thereof given by the Employee shall not constitute Good Reason. The Employee must provide notice of termination of employment within ninety (90) days of the Employee's knowledge of an event constituting Good Reason or such event shall not constitute Good Reason under these Terms and Conditions and the Agreement.

Notwithstanding the foregoing, in the event of a Merger or Equals Transaction that otherwise constitutes a Change in Control, the Board Committee may determine prior to the consummation of such transaction to narrow or eliminate the Good Reason triggers set forth above. For this purpose, a "Merger or Equals Transaction" means a merger, consolidation, share exchange or similar form of corporate reorganization of the Company or any such type of transaction involving the Company or any of its Subsidiaries that requires the approval of the Company's shareholders (whether for such transaction or the issuance of securities in the transaction or otherwise) (a "Business Combination") where (A) more than 40% of the total voting power of the company resulting from such Business Combination (including, without limitation, any company which directly or indirectly has beneficial ownership of 100% of the Company's then-outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities")) eligible to elect directors of such company is represented by shares that were Company Voting Securities immediately prior to such Business Combination (either by remaining outstanding or being converted), and such voting power is substantially the same proportion as the voting power of such Company Voting Securities immediately prior to such Business Combination, (B) no person (other than any publicly traded holding company resulting from such Business Combination, or any employee benefit plan sponsored or maintained by the Company (or the company resulting from such Business Combination)) becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting securities eligible to elect directors of the company resulting from such Business Combination, and (C) at least 50% of the members of the board of directors of the company resulting from such Business Combination were Incumbent Directors (as defined in the following clause) at the time of the Board's approval of the execution of the initial agreement providing for such Business

Combination; and "Incumbent Directors" means individuals who, on January 1, 2020, constitute the Board, provided that any person becoming a director subsequent to January 1, 2020, whose appointment, election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors who remain on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall also be deemed to be an Incumbent Director; provided, however, that no individual initially elected, appointed or nominated as a director of the Company as a result of an actual or publicly threatened election contest with respect to directors or any other actual or publicly threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director.

5. **Protective Covenants.** In consideration of, among other things, the grant of the Award to the Employee, the Employee acknowledges and agrees, by acceptance of the Award, to the following provisions:

(a) **Non-Solicitation.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or any other business, person or entity: (i) recruit, induce, Solicitor attempt to recruit, induce or Solicit any Individual Employed by the Company to terminate, abandon or otherwise leave or discontinue employment with the Company; or (ii) hire or cause or assist any Individual Employed by the Company to become employed by or provide services to any other business, person or entity whether as an employee, consultant, contractor or otherwise.

(b) **Customer and Potential Customer Non-Interference.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or any other business, person or entity, entice, induce, Solicitor attempt to participate in enticing, inducing or Soliciting, any Customer or Potential Customer of the Company to cease or reduce or refrain from doing business with the Company; or (ii) on behalf of any Competitive Business, entice, induce, Solicitor attempt to participate in enticing, inducing or Soliciting, or accept or attempt to participate in accepting, business from any Customer or Potential Customer of the Covered Unit(s).

(c) **Non-Competition.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer, independent contractor, consultant, officer, director, manager, principal, lender or investor engage or otherwise participate in any activities with, or provide services to, a Competitive Business, without the prior written consent of the Vice President, Chief Human Resources Officer of the Company or other designated executive officer of the Company (which consent shall be at such officer's discretion to give or withhold). Nothing in this Section 5(c) shall preclude the Employee from owning up to 1% of the equity in any publicly traded company.

(d) **No Disparagement or Detrimental Comments.** During the Employee's employment with the Company and thereafter, the Employee shall not, directly or indirectly, make or publish, or cause to be made or published, any statement, observation or opinion, whether verbal or written, that criticizes, disparages, defames or otherwise impugns or reasonably may be interpreted to criticize, disparage, defame or impugn, the character, integrity or reputation of the Company or its products, goods, systems or services, or its current or former directors, officers,

employees, agents, successors or assigns. Nothing in this Section 5(d) is intended or should be construed to prevent the Employee from providing truthful testimony or information to any person or entity as required by law or fiduciary duties or as may be necessary in the performance of the Employee's duties in connection with the Employee's employment with the Company.

(e) **Confidentiality.** During the Employee's employment with the Company and thereafter, the Employee shall not use or disclose, except on behalf of the Company and pursuant to and in compliance with its direction and policies, any Confidential Information of (i) the Company or (ii) any third party received by the Company which the Company is obligated to keep confidential. This Section 5(e) will apply in addition to, and not in derogation of, any other confidentiality or non-disclosure agreement that may exist, now or in the future, between the Employee and the Company.

(f) **Consideration and Acknowledgment.** The Employee acknowledges and agrees to each of the following: (i) the Employee's acceptance of the Award and participation in the Plan is voluntary; (ii) the benefits and rights provided by the Agreement and Plan are wholly discretionary and, although provided by the Company, do not constitute regular or periodic payments; (iii) the benefits and compensation provided under the Agreement are in addition to the

benefits and compensation that otherwise are or would be available to the Employee in connection with the Employee's employment with the Company and the grant of the Award is expressly contingent upon the Employee's agreement with the Company contained in Sections 5 and 6; (iv) the scope and duration of the restrictions in Section 5 are fair and reasonable; (v) if any provisions of Sections 5(a), (b), (c), (d) or (e), or any part thereof, are held to be unenforceable, the court making such determination shall have the power to revise or modify such provision to make it enforceable to the maximum extent permitted by applicable law and, in its revised or modified form, such provision shall then be enforceable, and if the provision is not capable of being modified or revised so that it is enforceable, it shall be excised from these Terms and Conditions without affecting the enforceability of the remaining provisions; and (vi) the time period of the Employee's obligations under Sections 5(a), (b) and (c) shall be extended by a period equal to the length of any breach of those obligations by the Employee, in addition to any and all other remedies provided by these Terms and Conditions or otherwise available to the Company at law or in equity. The Employee further understands and acknowledges that nothing contained in the Agreement limits the Employee's ability (1) to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other Federal, state or local governmental agency or commission ("Government Agencies"); (2) to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company; or (3) under applicable United States Federal law to (x) disclose in confidence trade secrets to Federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (y) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

(g) **Definitions.** For purposes of Section 5 of these Terms and Conditions, the following definitions shall apply:

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(1) "**CompetitiveBusiness**" means any business, person or entity that is engaged, or planning or contemplating to engage within a period of twelve (12) months, in any business activity that is competitive with the business and business activities engaged in by the Covered Unit(s).

(2) "**Confidential Information**" means confidential, proprietary or trade secret information, whether or not marked or otherwise designated as confidential, whether in document, electronic or other form, and includes, but is not limited to, information that is not publicly known regarding finances, business and marketing plans, proposals, projections, forecasts, existing and prospective customers, vendor identities, employees and compensation, drawings, manuals, inventions, patent applications, process and fabrication information, research plans and results, computer programs, databases, software flowcharts, specifications, technical data, scientific and technical information, test results and market studies.

(3) "**Company**" means, and shall be deemed to include, the Company and any Subsidiary.

(4) "**CoveredUnit(s)**" means: (i) during the period of the Employee's employment with the Company, each business unit of the Company; and (ii) following the Employment Termination Date, each business unit of the Company in or for which the Employee was employed or to which the Employee provided services or about which the Employee obtained or had access to Confidential Information, in each case of this clause (ii) at any time within the twenty-four (24)-month period prior to the Employment Termination Date. The Employee acknowledges and agrees that if the Employee is or was employed at a segment level, the Employee is providing or has provided services to and for, and has obtained and has or had access

to Confidential Information about, each business unit of such segment; and if the Employee is or was employed at the corporate/headquarters level, the Employee is providing or has provided services to and for, and has obtained and has or had access to Confidential Information about, each business unit of the Company.

(5) **“Customer”** means, with respect to the Company or the Covered Unit(s), as the case may be, any business, person or entity who purchased any products, goods, systems or services from the Company or such Covered Unit(s) at any time during the preceding twenty-four (24) months (or, if after the Employment Termination Date, the last twenty-four (24) months of the Employee’s employment with the Company) and either with whom the Employee dealt in the course of performing the Employee’s job duties for the Company or about whom the Employee has or had Confidential Information.

(6) **“Employment Termination Date”** means the date of termination of the Employee’s employment with the Company, voluntarily or involuntarily, for any reason.

(7) **“Individual Employed by the Company”** means any employee of the Company with whom the Employee dealt in the course of performing the Employee’s job duties at any time during the preceding twelve (12) months (or, if after the Employment Termination Date, the last twelve (12) months of the Employee’s employment with the Company).

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(8) **“Potential Customer”** means, with respect to the Company or the Covered Unit(s), as the case may be, any business, person or entity targeted during the preceding twelve (12) months (or, if after the Employment Termination Date, the last twelve (12) months of the Employee’s employment with the Company) as a customer to purchase any products, goods, systems or services from the Company or such Covered Unit(s) and (i) with whom the Employee had direct or indirect contact, (ii) for whom the Employee participated in the development or execution of the plant to sell products, goods, systems or services of the Company or such Covered Unit(s), or (iii) about whom the Employee otherwise has or had Confidential Information.

(9) **“Protective Covenant Period”** means the period of the Employee’s employment with the Company and the twelve (12)-month period following the Employment Termination Date.

(10) **“Solicit”** and **“Soliciting”** mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take or refrain from taking any actions; provided, for purposes of Section 5(a), the term “Solicit” excludes the placement of general advertisements inviting applications for employment that are not targeted to employees of the Company generally or any specific employees of the Company.

6. Remedies for Breach of Section 5.

(a) **Forfeiture and Clawback.** The Employee agrees, by acceptance of the Award, that if the Employee breaches any provision of Sections 5(a), (b), (c), (d) or (e), in addition to any and all other remedies available to the Company, (i) the Award and all Performance Units subject to the Award and any rights with respect to the Award and such Performance Units shall be immediately forfeited and terminate and be cancelled; and (ii) the Company shall have the right upon written notice (which maybe in electronic form) to reclaim and receive from the Employee all Shares and cash, as applicable, issued or paid to the Employee in respect of the Performance Units pursuant to Section 1 above,

or to the extent the Employee has transferred such Shares, the Fair Market Value thereof (as of the date such Shares were transferred by the Employee) in cash and any such return of Shares or payment of cash by the Employee which requires action on the part of the Employee shall be made within five (5) business days following receipt of written demand therefore.

(b) Forum. The Employee agrees, by acceptance of the Award, that any judicial action brought with respect to the provisions of Sections 5 or 6 of these Terms and Conditions may be filed in the United States District Court for the Middle District of Florida or in the Circuit Court of Brevard County, Florida and hereby consents to the jurisdiction of such courts and waives any objection he/she may now or hereafter have to such venue.

(c) Change in Control. If a Change in Control of the Company occurs following the grant date of the Award and the Employee ceases thereafter to be an employee of the Company in circumstances set forth in Section 4 of these Terms and Conditions, the provisions of Sections 5 and 6 shall immediately terminate and be of no further force and effect.

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7. Securities Law Requirements. The Company shall not be required to issue Shares pursuant to the Award, to the extent required, unless and until (a) such Shares have been duly listed on which the Company's Common Stock is then registered; and (b) a registration statement under the Securities Act of 1933, as amended, with respect to such Shares is then effective.

8. Board Committee Administration. The Board Committee shall have authority, subject to the express provisions of the Plan as in effect from time to time, to construe these Terms and Conditions and the Agreement and the Plan, to establish, amend and rescind rules and regulations relating to the Plan, and to make all other determinations in the judgment of the Board Committee necessary or desirable for the administration of the Plan. The Board Committee may correct any defecit or supply any omission or reconcile any inconsistency in these Terms and Conditions and the Agreement in the manner and to the extent it shall deem expedient to carry the Plan into effect, and it shall be the sole and final judge of such expediency.

9. Impact of Restatement of Financial Statements upon Awards. If any of the Company's financial statements are restated, as a result of errors, omissions, or fraud, the Board Committee may (in its sole discretion, but acting in good faith) direct that the Company recover all or a portion of any Award or payment made to the Employee with respect to any fiscal year of the Company the financial results of which are negatively affected by such restatement. The amount to be recovered shall be the amount by which the affected Award or payment exceeded the amount that would have been payable had the financial statements been initially filed as restated, or any greater or lesser amount (including, but not limited to, the entire Award) that the Board Committee shall determine. The Board Committee shall determine whether the Company shall effect any such recovery by: (a) seeking repayment from the Employee; (b) reducing the amount that would otherwise be payable to the Employee under any compensatory plan, program or arrangement maintained by the Company, a Subsidiary or any of its Affiliates; (c) withholding payment of future increases in compensation (including the payment of any discretionary bonus amount) or grants of compensatory awards that would otherwise have been made in accordance with the Company's otherwise applicable compensation practices; or (d) any combination of the foregoing or otherwise (subject, in each of the subclauses (a), (b) and (c), to applicable law, including without limitation, Section 409A of the Code, and the terms and conditions of the applicable plan, program or arrangement). This Section 9 shall be an non-exclusive remedy and nothing in this Section 9 shall preclude the Company from pursuing any other applicable remedies available to it, whether in addition to, or in lieu of, this Section 9.

10. Incorporation of Plan Provisions. These Terms and Conditions and the Agreement are made pursuant to the Plan, the provisions of which are hereby incorporated by reference. Capitalized terms not otherwise defined herein shall have the meanings set forth for such terms in the Plan. In the event of a conflict between the terms of these Terms and Conditions and the Agreement and the Plan, the terms of the Plan shall govern.

11. Compliance with Section 409A of the Code. The Agreement and the Plan are intended to be exempt from the provisions of Section 409A of the Code to the maximum extent permitted by applicable law. To the extent applicable, it is intended that the Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Employee. For purposes of complying with Section 409A of the Code, the Award shall be treated as payable upon the later

to occur of (A) the date on which the Award ceases to be subject to a substantial risk of forfeiture and (B) the earliest of (x) the last day of the Performance Period, (y) the Employee's separation from service and (z) the Employee's death. The Agreement and the Plan shall be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force and effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Employee). If the Award is subject to Section 409A of the Code, a retirement or termination of employment shall not be deemed to occur for purposes of any provision of the Agreement providing for the payment of any amounts upon or following retirement or termination of employment unless such retirement or termination is also a "separation from service" within the meaning of Section 409A of the Code, and for purposes of any such provision in the Agreement, references to a "termination," "termination of employment," "retire," "retirement" or like terms shall mean "separation from service." Notwithstanding anything in the Agreement to the contrary, if the Award is subject to Section 409A of the Code, and if the Employee is a "Specified Employee" (within the meaning of the Company's Specified Employee Policy for 409A Arrangements) as of the date the Employee ceases to be an employee of the Company, then such payout shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee ceased to be an employee of the Company (or, if earlier, the calendar month following the calendar month of the Employee's death), to the extent required by Section 409A of the Code. Notwithstanding the foregoing, no particular tax result for the Employee with respect to any income recognized by the Employee in connection with the Agreement is guaranteed, and the Employee solely shall be responsible for any taxes, penalties or interest imposed on the Employee in connection with the Agreement. Reference to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

12. Data Privacy; Electronic Delivery. By acceptance of the Award, the Employee acknowledges and agrees that: (a) data, including the Employee's personal data, necessary to administer the Agreement may be exchanged among the Company and its Subsidiaries and affiliates as necessary, and with any vendor engaged by the Company to assist in the administration of equity awards; and (b) unless and until revoked in writing by the Employee, information and materials in connection with the Agreement or any awards under the Plan, including, but not limited to, any prospectuses and plan documents, may be provided by means of electronic delivery (including by e-mail, by web site access and/or by facsimile).

13. Miscellaneous. These Terms and Conditions and the other portions of the Agreement: (a) shall be binding upon and inure to the benefit of any successor of the Company; (b) shall be governed by the laws of the State of Delaware and any applicable laws of the United States; and (c) except as permitted under Sections 3.2, 12 and 13.6 of the Plan and Sections 1(e),

8 and 11 of these Terms and Conditions, may not be amended in a manner that would materially impair the rights of the Employee without the written consent of both the Company and the Employee. The Agreement shall not in any way interfere with or limit the right of the Company or any Subsidiary to terminate the Employee's employment or service with the Company or any Subsidiary at any time, and no contractor right of employment shall be implied by these Terms and Conditions and the Agreement of which they form a part. For purposes of these Terms and

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Conditions and the Agreement, (i) employment by the Company or any Subsidiary or a successor to the Company shall be considered employment by the Company, and (ii) the closing of a divestiture or other sale of assets or a business of the Company or any Subsidiary (regardless of transaction structure) that results in the Employee no longer being employed by the Company or any Subsidiary shall, for purposes of Section 3(a)(ii)(B) and Section 4(a)(ii)(A) of these Terms and Conditions, be treated as an involuntary termination of employment of the Employee by the Company other than for Cause (for avoidance of doubt, even if the Employee retains the same employment position with the acquirer following such closing); and (iii) references to "termination of employment," "cessation of employment," "cease to be employed," "cease to be an Employee" or similar phrases shall mean the last day actually worked (as determined by the Company), and shall not include any notice period or any period of severance or separation pay or pay continuation (whether required by law or custom or otherwise provided) following the last day actually worked, to the extent consistent with the applicable requirements of Section 409A of the Code; provided, however, that if the Company terminates the Employee's employment as a result of the Employee's Disability or Other Disability or as a result of the Employee's failure to return to work when the Employee does not have, or no longer has, a Disability or Other Disability, then the last day actually worked shall mean the day of such termination, to the extent consistent with the applicable requirements of Section 409A of the Code. If the Award is assumed or a new award is substituted therefor in any corporate reorganization (including, but not limited to, any transaction of the type referred to in Section 424(a) of the Code), employment by such assuming or substituting corporation or by a parent corporation or subsidiary thereof shall be considered for all purposes of the Award to be employment by the Company.

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Exhibit 10.5

L3HARRISTECHNOLOGIES, INC. STOCK OPTION AWARD AGREEMENT

TERMS AND CONDITIONS

(As of February 13, 2024)

1. Stock Option Award – Terms and Conditions; Acceptance of Award. Pursuant to the written notice or letter of award (which may be in electronic form) (the "Award Notice") from L3 Harris Technologies, Inc. (the "Company") to the employee specified in the Award Notice (the "Employee"), the Company has granted to the Employee, on the grant date set forth in the Award Notice (the "Grant Date") and on the terms and conditions set forth in the Award Notice and herein (these "Terms and Conditions" and together with the Award Notice, the "Agreement"), and under and otherwise subject to the provisions of the Company's 2015 Equity Incentive Plan (as may be amended from time to time, the "Plan"), a Stock Option Award (the "Award") consisting of a non-qualified stock option (the "Option") to purchase such aggregate number of shares of common stock, \$1.00 par value per share (the "Common Stock") of the Company (a "Share") issuable upon exercise of the Option at such designated exercise price per Share as each is set forth in the Award Notice. The Award must be accepted by the Employee using the acceptance methods specified by the

Company (which may be in electronic form) within ninety (90) days following the Grant Date (or, if the Employee is on a Company-approved leave of absence from the Company at any time during such 90-day period, then within ninety (90) days following the Employee's return to active service with the Company from such leave of absence), and if not so accepted, the Award and the Option shall be automatically forfeited.

2. Vesting and Exercisability; Impact of Termination of Employment

(a) Except as set forth in Section 2(d) and Section 2(f), the Option shall not vest or be exercisable to any extent unless the Employee shall have remained continuously in the employ of the Company from the Grant Date through the date that is one (1) year following the Grant Date (the "Minimum Vesting Period") and if such continuous employment through the Minimum Vesting Period:

(i) Is not satisfied, then the Option shall terminate immediately upon the Employee's termination of employment with the Company.

(ii) Is satisfied, then except as otherwise provided in the Award Notice and subject to Section 2(d) and Section 2(f), the Option shall vest and become exercisable at the following times as to the following number of Shares, provided that the Employee shall have remained continuously in the employ of the Company until the applicable time for the Option to vest and become exercisable:

(A) After the end of one (1) year following the Grant Date and prior to the end of two (2) years following the Grant Date, not more than one-third of the aggregate number of Shares set forth in the Award Notice;

(B) After the end of two (2) years following the Grant Date and prior to the end of three (3) years following the Grant Date, not more than two-thirds of the aggregate number of Shares set forth in the Award Notice; and

(C) After the end of three (3) years following the Grant Date, the aggregate number of Shares set forth in the Award Notice.

During the lifetime of the Employee, the Option shall be exercisable only by the Employee and, except as otherwise provided in the Award Notice and subject to Section 2(d) and Section 2(f), only while the Employee continues as an Employee of the Company. Notwithstanding any other provision of these Terms and Conditions and the Agreement, the Options shall expire no later than the Expiration Date (as defined below) and shall not be exercisable thereafter.

(b) Qualifying Retirement. If, after the Employee satisfies continuous employment through the Minimum Vesting Period, the Employee ceases to be an employee of the Company due to:

(i) a Qualifying Early Retirement (as defined below), then the Option (A) to the extent unvested, shall immediately expire and be forfeited and (B) to the extent vested, may be exercised by the Employee but only until the Expiration Date; and

(ii) a Qualifying Full Retirement (as defined below), then the Option (A) to the extent unvested, shall continue to vest and become exercisable as specified in the Plan and the Award Notice as though the Employee continued employment through the applicable vesting date(s), and (B) to the extent vested, may be exercised by the Employee but only until the Expiration Date.

(c) Other Voluntary Termination; Involuntary Termination Other Than for Cause. If, after the Employee satisfies continuous employment through the Minimum Vesting Period and before an event described in Section 2(f), the Employee ceases to be an employee of the Company due to (i) voluntary termination by the Employee for any reason (other than Qualifying Early Retirement or Qualifying Full Retirement, in each case pursuant to and in accordance with Section 2(b)) or (ii) involuntary termination by the Company other than for cause (as defined below), but excluding an involuntary termination that would be deemed to fall within the

definition of a Qualifying Early Retirement or Qualifying Full Retirement, then the Option(x) to the extent unvested, shall immediately expire and be forfeited and (y) to the extent vested, maybe exercised by the Employee but only until the earlier of (A) the date that is ninety (90) days following the date of the Employee ceasing to be an employee of the Company or (B) the Expiration Date.

(d) Death or Disability. If, irrespective of the Minimum Vesting Period, the Employee ceases to be an employee of the Company due to the Employee's death or Disability (as defined below), then the Option(i) shall immediately become fully vested and exercisable as to the aggregate number of Shares set forth in the Award Notice (to the extent not previously vested and exercisable as to any or all of such Shares) and (ii) maybe exercised by the Employee's Beneficiary (as defined below) or the Employee, as applicable, but only until the earlier of (A) the date that is one (1) year following the date of the Employee ceasing to be an employee of the Company or (B) the Expiration Date.

(e) Termination for Cause. If the Employee ceases to be an employee of the Company due to a termination of the Employee's employment for Cause, then the Option shall

immediately expire and be forfeited in its entirety and shall not be exercisable to any extent, irrespective of whether it previously may have vested and become exercisable.

(f) Change in Control. If, irrespective of the Minimum Vesting Period, a Change in Control of the Company occurs following the Grant Date and the Employee ceases thereafter to be an employee of the Company prior to the Option otherwise vesting and becoming exercisable as to the aggregate number of Shares set forth in the Award Notice due to either involuntary termination of employment of the Employee by the Company other than for Cause or voluntary termination of employment by the Employee for Good Reason (as defined below), then the Option(i) shall immediately become fully vested and exercisable as to the aggregate number of Shares set forth in the Award Notice (to the extent not previously vested and exercisable as to any or all of such Shares) and (ii) maybe exercised by (A) the Employee, but only until the Expiration Date or (B) following the death of the Employee, by the Employee's Beneficiary, but only until the earlier of (x) the date that is one (1) year following the date of the death of the Employee or (y) the Expiration Date.

Notwithstanding anything in these Terms and Conditions or the Agreement to the contrary, (x) if the Employee's employment is terminated by the Company other than for Cause or Disability within sixty (60) days prior to a Change in Control of the Company that occurs following the Grant Date, and the Employee reasonably demonstrates that such termination was at the request or suggestion of a third party who has indicated an intention or taken steps reasonably calculated to effect such a Change in Control (a "Third Party") and such a Change in Control involves such Third Party, occurs, then for all purposes of these Terms and Conditions and the Agreement, the date of such Change in Control shall mean the date immediately prior to the date of such termination of employment; and (y) if a Change in Control of the Company occurs following the Grant Date and the Company or its successor does not assume or continue, or substitute an equivalent securities for, the Option, or if for any other reason the Option would not continue after such Change in Control, then upon such Change in Control, the Option(i) shall immediately become fully vested and exercisable as to the aggregate number of Shares set forth in the Award Notice (to the extent not previously vested and exercisable as to any or all of such Shares) and (ii) if not exercised (following such accelerated or previous vesting) prior to such Change in Control, the Board Committee may provide for the settlement in cash of the Option, calculated as though the Option was exercised simultaneously with such Change in Control and based on the then Fair Market Value of a Share, and if so settled by the Board Committee, the Option shall automatically terminate. If, in such circumstances, the Board Committee does not provide for the cash settlement of the Option, then the Option shall terminate upon such Change in Control, subject to any provision that has been made by the Board Committee through a plan of reorganization or otherwise for the survival, substitution or exchange of the Option; provided that the Employee shall be given reasonable notice of such intended termination and an opportunity to exercise the Option prior to or upon such Change in Control. The Board Committee may make adjustments pursuant to the Plan and/or deem an acceleration of vesting of the Option pursuant to this paragraph to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Employee

to realize the benefits intended to be conveyed with respect to the Shares underlying the Option; provided, however, that, the Board Committee may reinstate the original terms of the Option if the related event does not actually occur. The provisions in this paragraph for the early termination of the Option in connection with a Change in Control of the Company supersede any other provision hereof that otherwise would allow for a longer term of the Option.

(g) For purposes of the Agreement:

(i) "Cause" shall have the meaning assigned to such term in the Plan.

Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. After a Change in Control of the Company that occurs following the Grant Date,

(A) in the case of an employee who is appointed or elected by the Board as an officer of the Company (an "Officer"), Cause shall not exist unless and until the Company has delivered to the Employee a copy of a resolution duly adopted by three-quarters (3/4) of the entire Board at a meeting of the Board called and held for such purpose (after thirty (30) days' notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board an event set forth in the definition of "Cause" in the Plan has occurred and specifying the particular(s) thereof in detail; and (B) the Company must notify the Employee of any event constituting Cause within ninety (90) days following the Company's knowledge of its existence or such event shall not constitute Cause under the Agreement.

(ii) "Disability" means a total and permanent disability during which the Employee becomes entitled to a disability benefit under Title I of the Federal Social Security Act, as amended from time to time, or a total and permanent disability during which the Employee is entitled to receive disability benefits under the Company's applicable long-term disability plan or would have been entitled to receive disability benefits under such long-term disability plan had the Employee participated in such plan.

(iii) "Employee's Beneficiary" means a beneficiary or beneficiaries designated in writing by the Employee.

(iv) "Expiration Date" means the date that is ten years following the Grant Date.

(v) "Good Reason" means, without the Employee's express written consent, the occurrence of any of the following events after a Change in Control of the Company that occurs following the Grant Date: (A) if the Employee is an Officer immediately prior to such Change in Control, (1) any materially adverse diminution of the Employee's position(s), duties, responsibilities or status with the Company as in effect immediately prior to such Change in Control or (2) a material adverse change in the Employee's reporting responsibilities, titles or offices with the Company as in effect immediately prior to such Change in Control; (B) a reduction by the Company in the Employee's rate of annual base salary, annual target cash incentive bonus opportunity or annual target long-term incentive opportunity (including any adverse change in the formula for such annual target cash incentive bonus opportunity and/or annual target long-term incentive opportunity) as in effect immediately prior to such Change in Control or at the same time as may be increased from time to time thereafter; or (C) any requirement of the Company that the Employee (1) be based anywhere more than fifty (50) miles from the facility where the Employee is located at the time of such Change in Control or (2) travel on Company business to an extent substantially greater than the travel obligations of the Employee immediately prior to such Change in Control.

Any event or condition described in this Section 2(g)(v) which occurs prior to a Change in Control of the Company that occurs following the Grant Date, but was at the request or suggestion of a Third Party who effectuates such Change in Control, shall constitute Good Reason following such Change in Control for purposes of these Terms and Conditions and the Agreement notwithstanding that it occurred prior to such Change in Control. An isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company within fifteen (15) days after receipt of notice thereof given by the Employee shall not constitute Good Reason. The Employee must provide notice of

termination of employment within ninety (90) days of the Employee's knowledge of an event constituting Good Reason or such event shall not constitute Good Reason under these Terms and Conditions and the Agreement.

Notwithstanding the foregoing, in the event of a Merger or Equals Transaction that otherwise constitutes a Change in Control, the Board Committee may determine prior to the consummation of such transaction to narrow or eliminate the Good Reason trigger set forth above. For this purpose, a "Merger or Equals Transaction" means a merger, consolidation, share exchange or similar form of corporate reorganization of the Company or any such type of transaction involving the Company or any of its Subsidiaries that requires the approval of the Company's shareholders (whether for such transaction or the issuance of securities in the transaction or otherwise) (a "Business Combination") where (A) more than 40% of the total voting power of the company resulting from such Business Combination (including, without limitation, any company which directly or indirectly has beneficial ownership of 100% of the Company's then-outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities")) eligible to elect directors of such company is represented by shares that were Company Voting Securities immediately prior to such Business Combination (either by remaining outstanding or being converted), and such voting power is substantially the same proportion as the voting power of such Company Voting Securities immediately prior to such Business Combination, (B) no person (other than any publicly traded holding company resulting from such Business Combination, or any employee benefit plan sponsored or maintained by the Company (or the company resulting from such Business Combination)) becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting securities eligible to elect directors of the company resulting from such Business Combination, and (C) at least 50% of the members of the board of directors of the company resulting from such Business Combination were Incumbent Directors (as defined in the following clause) at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination; and "Incumbent Directors" means individuals who, on January 1, 2020, constitute the Board, provided that any person becoming a director subsequent to January 1, 2020, whose appointment, election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors who remain on the Board (either by a specific vote or by approval of the proxystatement of the Company in which such person is named as an nominee for director, without objection to such nomination) shall also be deemed to be an Incumbent Director; provided, however, that no individual initially elected, appointed or nominated as a director of the Company as a result of an actual or publicly threatened election contest with respect to directors or any other actual or publicly threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director.

(vi) "Qualifying Early Retirement" means an Employee's retirement or involuntary termination of employment by the Company for a reason other than Cause, in either case after the Employee has attained age sixty (60) with five (5) or more years of full-time service with the Company but prior to being eligible for a Qualifying Full Retirement; provided, that in order for an Employee's retirement (but not involuntary termination) to be a Qualifying Early Retirement, the Employee (A) has given written notice, in form reasonably satisfactory to the Company, to the Employee's supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that specifies the Employee's intent to retire from the Company and the particular intended date of such retirement, which must be at least six (6) months after the date such written notice is given; and (B) has remained employed by the Company until the earlier of (1) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and the Employee) or (2) the date on which the Employee ceases to be an employee of the Company due to death or Disability or involuntary termination of employment of the Employee by the Company other than for Cause, in each case following the delivery of such notice.

(vi) "Qualifying Full Retirement" means an Employee's retirement or involuntary termination of employment by the Company for a reason other than Cause, in either case after the Employee has attained age sixty-five (65) with ten (10) or more years of full-time service with the Company; provided, that in order for an Employee's retirement (but not involuntary termination) to be a Qualifying Full Retirement, the Employee (A) has given written notice, in form reasonably satisfactory to the Company, to the Employee's supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the

ChiefExecutiveOfficeroftheCompany)thatspecifiestheEmployee'sintenttoretirefrom the Company and the particularintended date of such retirement, which must be at least six(6)months afterthedatesuchwrittennoticeisgiven;and(B)hasremainedemployedbytheCompanyuntiltheearlierof(1)the particular intendeddateof such retirementspecifiedinsuchnotice (or suchother date ashasbeen mutually agreedin writing between theCompanyand theEmployee)or(2)the dateon which the Employee ceastestobe anemployee of the Companydue todeathorDisabilityor involuntary termination of employment ofthe Employeeby theCompany otherthan for Cause, in each case following the delivery of such notice.

3. ExerciseofOption. TheOptionmaybeexercisedbydeliveringtotheCompanyat theofficeofStockPlanAdministration(a)awrittennotice,signedbythepersonentitledto exercise theOption,statingshethedesignednumber of Sharessuchpersonthenelectstopurchase; provided,however,thatinthe discretionoftheCompany,notice sentthroughanapproved electronicmeansmaybesubstitutedfor asigned,writtennotice,(b) paymentinanamountequal tothefullexercisepricefortheSharestobepurchased, and(c) iftheOptionisexercisedbyany person otherthan theEmployee, suchas theEmployee's Beneficiary, evidencesatisfactory tothe Companythatsuchpersonhastherighttoexercise theOption. Paymentoftheexercisepriceshall bemade(x)incash, (y)inpreviouslyacquiredShares,or(z)inanycombinationofcashand Shares. Inadditiontotheforegoing,subjecttotheconsentoftheCompanyatthetimeofexercise ina mannerconsistentwithPlan, theOptionmaybe exercisedina "netexercise",pursuantto whichtheCompanyshallreducethenumberofSharesissuableuponexerciseoftheOptionbythe largestwhole number ofShareswithanaggregateFairMarketValuethatdoesnotexceedsuch exercisepriceandshallacceptacashorother paymentfromtheundersignedtotheextentoffany remainingbalance ofsuchexercise price notsatisfiedbysuchreductioninthenumberofwhole Sharestobeissued(provided,however,thatShareswillnolongerbeoutstandingundertheOption totheextentofsuchreductioninthenumberofwholeSharestobeissuedthatareusedtopaysuch exercise price pursuanttosuch "netexercise"). Sharestenderedinpaymentof the exercise price thathave beenacquiredthroughanexerciseof a stockoptionmusthavebeenheldatleastsix(6) months prior to exerciseof theOption and shallbevalued at theFair Market Value on thedate of such exercise. Upon theexerciseof theOption, theCompany shall causetheShares inrespect of whichtheOptionshallhavebeenso exercisedtobeissuedanddeliveredby creditingsuch Shares withoutrestrictionontransferto a book-entry accountfor thebenefitoftheEmployee or the Employee'sBeneficiarymaintainedbytheCompany'sstocktransferagentoritsdesignee,subject toapplicablewithholdingsandsatisfactionthereof (including,iftheCompanyelects,throughthe Companyretaining Sharesotherwise issuableorcashothervisetobe delivered)asprovidedin Section 13.2ofthePlan. TheEmployeedoesnothaveanyrightsasashareholderinrespectof anySharesastowhichtheOptionshallnothavebeendulyexercisedandnorightsasashareholder shallexistprior to theproper exercise of such Option.

4. ProhibitionAgainstTransfer;DesignationofBeneficiary. TheOptionandrights grantedbytheCompanyunderthese TermsandConditionsandtheAgreementarenottransferable exceptbywillorbythelawofdescentanddistributionintheeventoftheEmployee'sdeath. The Employee'sBeneficiarymayexercise anyrightsor receiveanybenefitsunder Section2(d) followingtheEmployee'sdeath. Tobeeffective,suchdesignationmust be madeinaccordance withsuchrulesandonsuchformasprescribedbytheCompanyforsuchpurpose,whichcompleted formmustbereceived bytheofficeofStock PlanAdministrationprior to theEmployee'sdeath. If theEmployeefails to designateabeneficiary,orifnodeesignatedbeneficiarysurvivesthe Employee's death, theEmployee's estate shall bedeemedthe Employee'sBeneficiary. Without limitingthegeneralityof theforegoing,exceptas aforesaid, theOptionmaynot be sold, exchanged,assigned,transferred,pledged,hypothecated,encumberedorotherwise disposedof, shallnotbeassignablebyoperationoflaw, andshallnotbesubjectto execution,attachment, charge,alienationor similarprocess. Anyattemptto effect anyof theforegoingshallbenull and void and without effect.

5. ProtectiveCovenants. Inconsiderationof,amongotherthings,thegrantofthe Option to the Employee, the Employee acknowledges and agrees, by acceptanceof theOption, to the following provisions:

(a) **Non-Solicitation.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or any other business, person or entity: (i) recruit, induce, Solicitor attempt to recruit, induce or Solicit any Individual Employed by the Company to terminate, abandon or otherwise leave or discontinue employment with the Company; or (ii) hire or cause or assist any Individual Employed by the Company to become employed by or provide services to any other business, person or entity whether as an employee, consultant, contractor or otherwise.

(b) **Customer and Potential Customer Non-Interference.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or any other business, person or entity, entice, induce, Solicitor or attempt to participate in enticing, inducing or Soliciting any Customer or Potential Customer of the Company

to cease or reduce or refrain from doing business with the Company; or (ii) on behalf of any Competitive Business, entice, induce, Solicit, or attempt to participate in enticing, inducing or Soliciting or accept or attempt to participate in accepting business from any Customer or Potential Customer of the Covered Unit(s).

(c) **Non-Competition.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, as an employee, independent contractor, consultant, officer, director, manager, principal, lender or investor engage or otherwise participate in any activities with, or provide services to, a Competitive Business, without the prior written consent of the Vice President, Chief Human Resources Officer of the Company or other designated executive officer of the Company (which consent shall be such officer's discretion to give or withhold). Nothing in this Section 5(c) shall preclude the Employee from owning up to 1% of the equity in any publicly traded company.

(d) **No Disparagement or Detrimental Comments.** During the Employee's employment with the Company and thereafter, the Employee shall not, directly or indirectly, make or publish, or cause to be made or published, any statement, observation or opinion, whether verbal or written, that criticizes, disparages, defames or otherwise impugns or reasonably may be interpreted to criticize, disparage, defame or impugn, the character, integrity or reputation of the Company or its products, goods, systems or services, or its current or former directors, officers, employees, agents, successors or assigns. Nothing in this Section 5(d) is intended or should be construed to prevent the Employee from providing truthful testimony or information to any person or entity as required by law or fiduciary duties or as may be necessary in the performance of the Employee's duties in connection with the Employee's employment with the Company.

(e) **Confidentiality.** During the Employee's employment with the Company and thereafter, the Employee shall not use or disclose, except on behalf of the Company and pursuant to and in compliance with its direction and policies, any Confidential Information of (i) the Company or (ii) any third party received by the Company which the Company is obligated to keep confidential. This Section 5(e) will apply in addition to, and not in derogation of, any other confidentiality or non-disclosure agreement that may exist, now or in the future, between the Employee and the Company.

(f) **Consideration and Acknowledgment.** The Employee acknowledges and agrees to each of the following: (i) the Employee's acceptance of the Award and Option and participation in the Plan is voluntary; (ii) the benefits and rights provided by the Agreement and Plan are wholly discretionary and, although provided by the Company, do not constitute regular or periodic payments; (iii) the benefits and compensation provided under the Agreement are in addition to the benefits and compensation that otherwise are or would be available to the Employee in connection with the Employee's employment with the Company and the grant of the Option is expressly contingent upon the Employee's agreement with the Company contained in Sections 5 and 6; (iv) the scope and duration of the restrictions in Section 5 are fair and reasonable; (v) if any provision of Sections 5(a), (b), (c), (d) or (e), or any part thereof, are held to be unenforceable, the court making such determination shall have the power to revise or modify such provision to make it enforceable to the maximum extent permitted by applicable law and, in its revised or modified form, such provision shall then be enforceable, and if the provision is not capable of being modified or revised so that it is enforceable, it shall be excised from these Terms and Conditions without affecting the enforceability of the remaining provisions; and (vi) the time

period of the Employee's obligations under Sections 5(a), (b) and (c) shall be extended by a period equal to the length of any breach of those obligations by the Employee, in addition to any and all other remedies provided by these Terms and Conditions or otherwise available to the Company at law or in equity. The Employee further understands and acknowledges that nothing contained in the Agreement limits the Employee's ability (1) to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other Federal, state or local governmental agency or commission ("Government Agencies"); (2) to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company; or (3) under applicable United States Federal law to (x) disclose in confidence trade secrets to Federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (y) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

(g) **Definitions.** For purposes of Section 5 of these Terms and Conditions, the following definitions shall apply:

(1) "**Competitive Business**" means any business, person or entity that is engaged, or planning or contemplating to engage within a period of twelve (12) months, in any business activity that is competitive with the business and business activities engaged in by the Covered Unit(s).

(2) "**Confidential Information**" means confidential, proprietary or trade secret information, whether or not marked or otherwise designated as confidential, whether in document, electronic or other form, and includes, but is not limited to, information that is not publicly known regarding finances, business and marketing plans, proposals, projections, forecasts, existing and prospective customers, vendor identities, employees and compensation, drawings, manuals, inventions, patent applications, process and fabrication information, research plans and results, computer programs, databases, software flowcharts, specifications, technical data, scientific and technical information, test results and market studies.

(3) "**Company**" means, and shall be deemed to include, the Company and any Subsidiary.

(4) "**Covered Unit(s)**" means: (i) during the period of the Employee's employment with the Company, each business unit of the Company; and (ii) following the Employment Termination Date, each business unit of the Company in or for which the Employee was employed or to which the Employee provided services or about which the Employee obtained or had access to Confidential Information, in each case of this clause (ii) at any time within the twenty-four (24)-month period prior to the Employment Termination Date. The Employee acknowledges and agrees that if the Employee is or was employed at the segment level, the Employee is providing or has provided services to and for, and has obtained and has or had access to Confidential Information about, each business unit of such segment; and if the Employee is or was employed at the corporate/headquarters level, the Employee is providing or has provided services to and for, and has obtained and has or had access to Confidential Information about, each business unit of the Company.

(5) "**Customer**" means, with respect to the Company or the Covered Unit(s), as the case may be, any business, person or entity who purchased any products, goods, systems or services from the Company or such Covered Unit(s) at any time during the preceding twenty-four (24) months (or, if after the Employment Termination Date, the last twenty-four (24) months) of the Employee's employment with the Company and either with whom the Employee dealt in the course of performing the Employee's job duties for the Company or about whom the Employee has or had Confidential Information.

(6) "**Employment Termination Date**" means the date of termination of the Employee's employment with the Company, voluntarily or involuntarily, for any reason, with or without Cause or Good Reason.

(7) "**Individual Employed by the Company**" means any employee of the Company with whom the Employee dealt in the course of performing the Employee's job duties at any time during the preceding twelve (12)

months (or, if after the Employment Termination Date, the last twelve (12) months of the Employee's employment with the Company).

(8) **"PotentialCustomer"** means, with respect to the Company or the Covered Unit(s), as the case may be, any business, person or entity targeted during the preceding twelve (12) months (or, if after the Employment Termination Date, the last twelve (12) months of the Employee's employment with the Company) as a customer to purchase any products, goods, systems or services from the Company or such Covered Unit(s) and (i) with whom the Employee has direct or indirect contact, (ii) for whom the Employee participated in the development or execution of the plant to sell products, goods, systems or services of the Company or such Covered Unit(s), or (iii) about whom the Employee otherwise has or had Confidential Information.

(9) **"Protective Covenant Period"** means the period of the Employee's employment with the Company and the twelve (12) month period following the Employment Termination Date.

(10) **"Solicit"** and **"Soliciting"** mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take or refrain from taking any actions; provided, for purposes of Section 5(a), the term "Solicit" excludes the placement of general advertisements inviting applications for employment that are not targeted to employees of the Company generally or any specific employees of the Company.

6. Remedies for Breach of Section 5.

(a) **Forfeiture and Clawback.** The Employee agrees, by acceptance of the Award and the Option, that if the Employee breaches any provision of Sections 5(a), (b), (c), (d) or (e), in addition to any and all other remedies available to the Company, (i) the Option, whether vested or unvested, shall upon written notice (which may be in electronic form) immediately terminate and lapse and shall no longer be exercisable as to any Shares; and (ii) the Employee shall within five (5) business days following receipt of written demand therefore pay to the Company in cash, the amount of the excess of the Fair Market Value on the exercise date of any Shares the Employee

acquired upon exercise of the Option (other than any Shares acquired upon exercise of the Option more than twelve (12) months before (x) the Employment Termination Date in the situation where the Employee is no longer employed by the Company, or (y) the date of such breach in the situation where the Employee is employed by the Company), over the exercise price for such Shares.

(b) **Forum.** The Employee agrees, by acceptance of the Option, that any judicial action brought with respect to the provisions of Sections 5 or 6 of these Terms and Conditions may be filed in the United States District Court for the Middle District of Florida or in the Circuit Court

of Brevard County, Florida and hereby consents to the jurisdiction of such courts and waives any objection he/she may now or hereafter have to such venue.

(c) **Change in Control.** If a Change in Control of the Company occurs following the Grant Date and the Employee ceases thereafter to be an employee of the Company in a circumstance set forth in Section 2(f) herein, the provisions of Sections 5 and 6 shall immediately terminate and be of no further force and effect.

7. Securities Law Requirements. The Company shall not be required to issue shares upon exercise of the Option unless and until: (a) such shares have been duly listed on a stock exchange on which the Company's Common Stock is then registered; and (b) a registration statement under the Securities Act of 1933, as amended, with respect to such Shares is then effective.

8. Board Committee Administration. The Board Committee shall have authority, subject to the express provisions of the Plan as in effect from time to time, to construe these Terms and Conditions and the Agreement and the Plan, to establish, amend and rescind rules and regulations relating to the Plan, and to make all other determinations in the judgment of the Board

Committee necessary or desirable for the administration of the Plan. The Board Committee may correct any defector supply any omission or reconcile any inconsistency in these Terms and Conditions and the Agreement in the manner and to the extent it shall deem expedient to carry the Plan into effect, and it shall be the sole and final judge of such expediency.

9. Incorporation of Plan Provisions. These Terms and Conditions and the Agreement are made pursuant to the Plan, the provisions of which are hereby incorporated by reference. Capitalized terms not otherwise defined herein shall have the meanings set forth for such terms in the Plan. In the event of a conflict between the terms of these Terms and Conditions and the Agreement and the Plan, the terms of the Plan shall govern.

10. Compliance with Section 409A of the Code. The Agreement and the Plan are intended to be exempt from the provisions of Section 409A of the Code to the maximum extent permitted by applicable law. To the extent applicable, it is intended that the Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Employee. The Agreement and the Plan shall be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force and effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and maybe made by the Company without the consent of the Employee). If the Award is subject to Section

409A of the Code, a retirement or termination of employment shall not be deemed to occur for purposes of any provision of the Agreement providing for the payment of any amounts upon or following retirement or termination of employment unless such retirement or termination is also a "separation from service" within the meaning of Section 409A of the Code, and for purposes of any such provision in the Agreement, references to a "termination," "termination of employment," "retire," "retirement" or like terms shall mean "separation from service." Notwithstanding anything in the Agreement to the contrary, if the Award is subject to Section 409A of the Code, and if the Employee is a "Specified Employee" (within the meaning of the Company's Specified Employee Policy for 409A Arrangements) as of the date the Employee ceases to be an employee of the Company, then there is a payout of the Award, such payout shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee ceased to be an employee of the Company (or, if earlier, the calendar month following the calendar month of the Employee's death) to the extent required by Section 409A of the Code. Notwithstanding the foregoing, no particular tax result for the Employee with respect to any income recognized by the Employee in connection with the Agreement is guaranteed, and the Employee solely shall be responsible for any taxes, penalties or interest imposed on the Employee in connection with the Agreement. Reference to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

11. Data Privacy; Electronic Delivery. By acceptance of the Award and the Option, the Employee acknowledges and agrees that: (a) data, including the Employee's personal data, necessary to administer the Agreement may be exchanged among the Company and its Subsidiaries and affiliates as necessary, and with any vendor engaged by the Company to assist in the administration of equity awards; and (b) unless and until revoked in writing by the Employee, information and materials in connection with the Agreement or any awards under the Plan, including, but not limited to, any prospectuses and plan documents, may be provided by means of electronic delivery (including by e-mail, by web site access and/or by facsimile).

12. Miscellaneous. These Terms and Conditions and the other portions of the Agreement: (a) shall be binding upon and inure to the benefit of any successor of the Company; (b) shall be governed by the laws of the State of Delaware and any applicable laws of the United States; and (c) except as permitted under Sections 3.2, 12 and 13.6 of the Plan and Section 8 and 10 of these Terms and Conditions, may not be amended in a manner that would materially impair the rights of the Employee without the written consent of both the Company and the Employee. The Agreement shall not in any way interfere with or limit the right of the Company or any Subsidiary to terminate the Employee's employment or service with the Company or any Subsidiary at any time, and no contractor right of employment shall be implied by these Terms and Conditions and the Agreement of which they form a part. For purposes of these Terms and Conditions and the Agreement, (i) employment by the Company or any Subsidiary or a successor to the Company shall be considered employment by the Company; (ii) the closing of a divestiture or other sale of assets or a business of the Company or any

Subsidiary (regardless of transaction structure) that results in the Employee no longer being employed by the Company or any Subsidiary shall, for purposes of Section 2(c) and Section 2(f) of these Terms and Conditions, be treated as an involuntary termination of employment of the Employee by the Company other than for Cause (for avoidance of doubt, even if the Employee retains the same employment position with the acquirer following such closing); and (ii) references to "termination of employment," "cessation of employment," "cease to be employed," "cease to be an employee" or similar phrases shall be deemed to have occurred as of the last day actually worked (as determined by the

Company), and shall not include any notice period or any period of severance or separation pay or pay continuation (whether required by law or custom or otherwise provided) following the last day actually worked, provided, however, if the Award is subject to Section 409A of the Code and further such determination of the last day worked shall be consistent with the applicable

requirements of Section 409A of the Code; provided, however, that if the Company terminates the Employee's employment as a result of the Employee's Disability or as a result of the Employee's failure to return to work when the Employee does not have, or no longer has, a Disability, then the last day actually worked shall mean the day of such termination, and, if the Award is subject to Section 409A of the Code, the day of such termination is consistent with the applicable requirements of Section 409A of the Code. If the Award is assumed or a new award is substituted therefor in any corporate reorganization (including, but not limited to, any transaction of the type referred to in Section 424(a) of the Code), employment by such assuming or corporation or by a parent corporation or subsidiary thereof shall be considered for all purposes of the Award to be employment by the Company.

L3HARRISTECHNOLOGIES, INC. RESTRICTED UNIT AWARD AGREEMENT
TERMS AND CONDITIONS
(As of February 13, 2024)

1. Restricted Unit Award - Terms and Conditions. Pursuant to the written notice or letter of award (which may be in electronic form) (the "Award Notice") from L3 Harris Technologies, Inc. (the "Company") to the employee specified in the Award Notice (the "Employee"), the Company has granted to the Employee, on the terms and conditions set forth in the Award Notice and herein (these "Terms and Conditions" and together with the Award Notice, the "Agreement"), and under and otherwise subject to the provisions of the Company's 2015 Equity Incentive Plan (as may be amended from time to time, the "Plan"), a Restricted Unit Award (the "Award") of such number of restricted units specified in the Award Notice as being subject to the Award (such units, as may be adjusted in accordance with Section 1(c) of these Terms and Conditions, the "Restricted Units"). At all times, each Restricted Unit shall be equal in value to one share of common stock, \$1.00 par value per share (the "Common Stock"), of the Company (a "Share").

(a) **Acceptance of Award; Restriction Period.** The Award must be accepted by the Employee using the acceptance method specified by the Company (which may be in electronic form) within ninety (90) days following the grant date of the Award (or, if the Employee is on a Company-approved leave of absence from the Company at any time during such 90-day period, then within ninety (90) days following the Employee's return to active service with the Company from such leave of absence), and if not so accepted, the Award and all Restricted Units subject to the Award shall be automatically forfeited. For purposes of the Agreement, the "Restriction Period" is the period beginning on the grant date of the Award and ending as set forth in the Award

Notice. The Board Committee may, in accordance with the Plan and to the extent permitted by Section 409A of the Code (if applicable), accelerate the expiration of the Restriction Period as to some or all of the Restricted Units at any time.

(b) Payout of Award. Provided the Award has not previously been forfeited, as soon as administratively practicable following the expiration of the Restriction Period, but no later than sixty (60) days following the expiration of the Restriction Period, the Company shall issue to the Employee in a single payment the number of Shares underlying the Restricted Units, subject to applicable withholdings and satisfaction thereof (including retaining Shares otherwise issuable) as provided in Section 13.2 of the Plan. Upon payout of the Award, the Company shall at its option cause the Shares as to which the Employee is entitled pursuant thereto:

(i) to be released without restriction on transfer by delivery to the custody of the Employee or a stock certificate in the name of the Employee or his or her designee or (ii) to be credited without restriction on transfer to a book-entry account for the benefit of the Employee or his or her designee maintained by the Company's stock transfer agent or its designee.

(c) Rights During Restriction Period; Dividend Equivalents. During the Restriction Period, the Employee shall not have any rights as a shareholder with respect to the Shares underlying the Restricted Units. During the Restriction Period, if the Company pays

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dividends or makes other distributions on the Common Stock, the Employee shall be entitled to receive from the Company at the time of payout in respect of the Award dividend equivalents for such dividends or other distributions, either in cash, in the case of a cash dividend or cash distribution, or other property, in the case of a non-cash dividend or non-cash distribution, as applicable, in respect of the number of Shares underlying the Restricted Units, in each case, subject to applicable withholdings and satisfaction thereof (including retaining cash otherwise payable or Shares otherwise issuable) as provided in Section 13.2 of the Plan. No such dividend equivalents will be paid in respect of Restricted Units that are forfeited or cancelled. No interest shall be paid on any such dividend equivalents. If the number of the Company's outstanding Shares is changed as a result of a stock dividend, stock split or the like, without additional consideration to the Company, the Restricted Units subject to the Award shall be adjusted to correspond to the change in the Company's outstanding Shares. Upon the expiration of the Restriction Period and payout of the Award, the Employee may exercise voting rights and shall be entitled to receive dividends and other distributions with respect to the number of Shares to which the Employee is entitled pursuant hereto.

2. Prohibition Against Transfer. Until the expiration of the Restriction Period and payout of the Award, the Award, the Restricted Units subject to the Award, any interest in the Shares related thereto, and the rights granted under these Terms and Conditions and the Agreement are not transferable except by will or by the laws of descent and distribution in the event of the Employee's death. Without limiting the generality of the foregoing, except as aforesaid, until the expiration of the Restriction Period and payout of the Award, the Award, the Restricted Units subject to the Award, any interest in the Shares related thereto, and the rights granted under these Terms and Conditions and the Agreement may not be sold, exchanged, assigned, transferred, pledged, hypothecated, encumbered or otherwise disposed of, shall not be assignable by operation of law, and shall not be subject to execution, attachment, charge, alienation or similar process. Any attempt to effect any of the foregoing shall be null and void and without effect.

3. Forfeiture for Termination of Employment; Exceptions.

(a) Except in the event the Employee ceases to be an employee of the Company asset for in Section 3(b) (due to death or Disability (as defined below)) or asset for in Section 3(c) (due to certain circumstances in connection with a Change in Control of the

Company that occurs following the grant date of the Award), it shall be a condition to the vesting of Restricted Units and the payment of Shares following the expiration of the Restriction Period that the Employee shall have remained continuously in the employ of the Company for a minimum of one year from the grant date of the Award (the "Minimum Vesting Period"), and in the event that the Minimum Vesting Period is not satisfied, the Award and any Restricted Units or right to payment of Shares shall be immediately and automatically forfeited upon the Employee's termination of employment with the Company. Except in the event the Employee ceases to be an employee of the Company as set forth in Section 3(b) (due to death or Disability) or as set forth in Section 3(c) (due to certain circumstances in connection with a Change in Control of the Company that occurs following the grant date of the Award) or as otherwise provided in the Award Notice, if the Employee ceases to be an employee of the Company following satisfaction of the Minimum Vesting Period but prior to the expiration of the Restriction Period:

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(i) for any reason other than those described in Section 3(a)(ii) (due to a Qualifying Early Retirement (as defined below) or an involuntary termination by the Company other than for Cause (as defined below)), Section 3(a)(iii) (due to a Qualifying Full Retirement (as defined below)), Section 3(b) or Section 3(c), all Restricted Units subject to the Award shall be immediately and automatically forfeited upon such termination of employment;

(ii) due to (A) a Qualifying Early Retirement (as defined below) or (B) involuntary termination of employment of the Employee by the Company other than for Cause (as defined below), but excluding an involuntary termination that would be deemed to fall within the definition of a Qualifying Full Retirement, the Employee shall be vested in, and entitled to receive a payout in respect of, a pro-rata portion of the Restricted Units subject to the Award, and the remaining portion of the Restricted Units subject to the Award shall be automatically forfeited as of the date of such retirement or termination of employment. Such pro-rata portion shall be measured by a fraction, of which the numerator is the number of days of the Restriction Period during which the Employee's employment continued, and the denominator is the number of days of the Restriction Period. The Restriction Period shall immediately expire upon such retirement or termination of employment with respect to such pro-rata portion that is vested pursuant to the provisions of this Section 3(a)(ii), if any, and, subject to Section 10, the payout in respect of such pro-rata portion shall be made as soon as administratively practicable following such immediate expiration of the Restriction Period, but in no event later than sixty (60) days following such immediate expiration of the Restriction Period; or

(iii) due to a Qualifying Full Retirement (as defined below), the Employee shall be vested in, and entitled to receive a payout in respect of all of the Restricted Units subject to the Award as though the Employee continued providing services through the end of the original Restriction Period. The payout in respect of such Restricted Units described in the preceding sentence shall be made as soon as administratively practicable, but not later than sixty (60) days, following each date on which the original Restriction Period would have lapsed, at which time the Company shall issue to the Employee the number of Shares underlying such Restricted Units that were originally scheduled to vest on such date, subject to applicable withholdings and satisfaction thereof (including retaining Shares otherwise issuable) as provided in Section 13.2 of the Plan.

(b) If the Employee ceases to be an employee of the Company prior to the expiration of the Restriction Period due to death or Disability, the Employee's heirs or beneficiaries or the Employee, as applicable, shall be fully vested in, and entitled to receive a payout in respect of, the total number of Restricted Units subject to the Award. In such event, the Restriction Period shall immediately expire upon the Employee's cessation to be an employee of the Company, and subject to Section 10, the payout in respect of the Restricted Units subject to the Award shall be made as soon as administratively practicable following such immediate expiration of the Restriction Period, but in no event later than sixty (60) days following such immediate expiration of the Restriction Period.

(c) If a Change in Control of the Company occurs following the grant date of the Award and the Employee ceases thereafter to be an employee of the Company prior to the

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expiration of the Restriction Period due to (i) involuntary termination of employment of the Employee by the Company other than for Cause, or (ii) voluntary termination of employment by the Employee for Good Reason (as defined below), then the Employee shall be fully vested in, and entitled to receive a payout in respect of, the total number of Restricted Units subject to the Award. In such event, the Restriction Period shall immediately expire upon the Employee's ceasing to be an employee of the Company, and subject to Section 10, the payout in respect of the Restricted Units subject to the Award shall be made as soon as administratively practicable following such immediate expiration of the Restriction Period; provided that in the event such termination occurs on or after the date the Employee is Full Retirement Eligible and either the date of termination occurs more than 24 months after the date of the Change in Control or the Change in Control does not constitute a "change in control event," within the meaning of Section 409A of the Code, then, except as otherwise permitted under Section 409A of the Code, the payout shall be made as soon as administratively practicable, but not later than sixty (60) days, following each date on which the original Restriction Period would have lapsed.

Notwithstanding anything in these Terms and Conditions or the Agreement to the contrary, (x) if the Employee's employment is terminated by the Company other than for Cause or Disability within sixty (60) days prior to a Change in Control of the Company that occurs following the grant date of the Award, and the Employee reasonably demonstrates that such termination was at the request or suggestion of a third party who has indicated an intention or taken steps reasonably calculated to effect such a Change in Control (a "Third Party") and such a Change in Control involves such Third Party, then for all purposes of these Terms and Conditions and the Agreement, the date of such Change in Control shall mean the date immediately prior to the date of such termination of employment; and (y) if a Change in Control of the Company occurs following the grant date of the Award and the Company or its successor does not assume or continue, or substitute, equivalent restricted securities for, the Restricted Units, then the Employee shall be fully vested in, and entitled to receive a payout in respect of, the total number of Restricted Units subject to the Award, and in such event, the Restriction Period shall immediately expire upon the effective date of the Change in Control, and subject to Section 10, the payout in respect of the Restricted Units subject to the Award shall be made as soon as administratively practicable following such immediate expiration of the Restriction Period, but not later than sixty (60) days following such immediate expiration of the Restriction Period; provided that in the event such termination occurs on or after the date the Employee is Full Retirement Eligible, then, except as otherwise permitted under Section 409A of the Code, the payout shall be made as soon as administratively practicable, but not later than sixty (60) days, following each date on which the original Restriction Period would have lapsed.

(d) For purposes of the Agreement:

(i) "Cause" shall have the meaning assigned to such term in the Plan. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based on the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. After a Change in Control of the Company that occurs following the grant date

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of the Award, (A) in the case of an employee who is appointed or elected by the Board as an officer of the Company (an "Officer"), Causes shall not exist unless and until the Company has delivered to the Employee a copy of a resolution duly adopted by three-quarters (3/4) of the entire Board at a meeting of the Board called and held for such purpose (after thirty (30) days' notice to the Employee and an opportunity for the Employee, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board an event set forth in the definition of "Cause" in the Plan has occurred and specifying the particular(s) thereof in detail; and (B) the Company must notify the Employee of any event constituting Cause within ninety (90) days following the Company's knowledge of its existence or such event shall not constitute Cause under the Agreement.

(ii) "Disability" means a total and permanent disability during which the Employee becomes entitled to a disability benefit under Title I of the Federal Social Security Act, as amended from time to time, or a total and permanent disability during which the Employee is entitled to receive disability benefits under the Company's applicable long-term disability plan or would have been entitled to receive disability benefits under such long-term disability plan had the Employee participated in such plan.

(iii) "Good Reason" means, without the Employee's express written consent, the occurrence of any of the following events after a Change in Control of the Company that occurs following the grant date of the Award: (A) if the Employee is an Officer immediately prior to such Change in Control, (1) any materially adverse diminution of the Employee's position(s), duties, responsibilities or status with the Company as in effect immediately prior to such Change in Control or (2) a material adverse change in the Employee's reporting responsibilities, titles or offices with the Company as in effect immediately prior to such Change in Control; (B) a reduction by the Company in the Employee's rate of annual base salary, annual target cash incentive bonus opportunity or annual target long-term incentive opportunity (including any adverse change in the formula or such annual target cash incentive bonus opportunity and/or annual target long-term incentive opportunity) as in effect immediately prior to such Change in Control or as the same may be increased from time to time thereafter; or (C) any requirement of the Company that the Employee (1) be based anywhere more than fifty (50) miles from the facility where the Employee is located at the time of such Change in Control or (2) travel on Company business to an extent substantially greater than the travel obligations of the Employee immediately prior to such Change in Control.

Any event or condition described in this Section 3(d)(iii) which occurs prior to a Change in Control of the Company that occurs following the grant date of the Award, but was at the request or suggestion of a Third Party who effectuates such Change in Control, shall constitute Good Reason following such Change in Control for purposes of these Terms and Conditions and the Agreement notwithstanding that it occurred prior to such Change in Control. An isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company within fifteen (15) days after receipt of notice thereof given by the Employee shall not constitute Good Reason. The Employee must provide notice of termination of employment within ninety (90) days of the Employee's knowledge of an event constituting Good Reason or such event shall not constitute Good Reason under these Terms and Conditions and the Agreement.

Notwithstanding the foregoing, in the event of a Merger of Equals Transaction that otherwise constitutes a Change in Control, the Board Committee may determine prior to the consummation of such transaction to narrow or eliminate the Good Reason trigger set forth above. For this purpose, a "Merger of Equals Transaction" means a merger, consolidation, share exchange or similar form of corporate reorganization of the Company or any such type of transaction involving the Company or any of its Subsidiaries that requires the approval of the Company's shareholders (whether for such transaction or the issuance of securities in the transaction or otherwise) (a "Business Combination") where (A) more than 40% of the total voting power of the company resulting from such Business Combination (including, without limitation, any company which directly or indirectly has beneficial ownership of 100% of the Company's then-outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities")) eligible to elect directors of such company is represented by shares that were Company Voting Securities immediately prior to such Business Combination (either by remaining outstanding or being converted), and such voting power is substantially the same proportion as the voting power of such Company Voting Securities immediately prior to such Business Combination, (B) no person (other than any publicly traded holding company resulting from such Business Combination, or any employee benefit plan sponsored or maintained by the Company (or the company resulting from such Business Combination)) becomes the beneficial owner, directly or indirectly, of 20% or more of the total voting securities eligible to elect directors of the company resulting from such Business Combination, and (C) at least 50% of the members of the board of directors of the company resulting from such Business Combination were Incumbent Directors (as defined in the following clause) at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination; and "Incumbent Directors" means individuals who, on January 1, 2020, constitute the Board, provided that any person becoming a director subsequent to January 1, 2020, whose appointment, election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors who remain on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall also be deemed to be an Incumbent Director; provided, however, that no individual initially elected, appointed or nominated as a director of the Company as a result of an actual or publicly threatened election contest with respect to directors or any other actual or publicly threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director.

(iv) "Qualifying Early Retirement" means retirement after age sixty (60) with five (5) or more years of full-time service with the Company but prior to being eligible for a Qualifying Full Retirement, provided, that in order for any such retirement to be a Qualifying Early Retirement, the Employee (A) has given written notice, in a reasonably satisfactory to the Company, to the Employee's supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that (1) specifies the Employee's intent to retire from the Company and the particular intended date of such retirement, which must be at least six (6) months after the date such written notice is given, and (2) has not been preceded by notice from the Company to the Employee of the actual or impending termination of employment of the Employee by the Company; and (B) has remained employed by the Company until the earlier of (x) the particular intended date of such

retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and the Employee) or (y) the date on which the Employee ceases to be an employee of the Company due to death or disability or involuntary termination of employment of the Employee by the Company other than for Cause, in each case following the delivery of such notice.

(v) **“Qualifying Full Retirement”** means an Employee’s retirement or involuntary termination of employment by the Company for a reason other than Cause, in either case after the Employee has attained age sixty-five(65) with ten (10) or more years of full-time service with the Company (attainment of such age and years of service is referred to as **“Full Retirement Eligible”**); provided, that in order for an Employee’s retirement (but not involuntary termination) to be a Qualifying Full Retirement, the Employee (A) has given written notice, in form reasonably satisfactory to the Company, to the Employee’s supervisor, with a copy to the Vice President, Chief Human Resources Officer of the Company (or, if the Employee is the Vice President, Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that specifies the Employee’s intent to retire from the Company and the particular intended date of such retirement, which must be at least six(6) months after the date such written notice is given; and (B) has remained employed by the Company until the earlier of (1) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and the Employee) or (2) the date on which the Employee ceases to be an employee of the Company due to death or disability or involuntary termination of employment of the Employee by the Company other than for Cause, in each case following the delivery of such notice.

4. **Change in Control.** For avoidance of doubt, the occurrence of a Change in Control of the Company during the Restriction Period does not, in and of itself, accelerate or otherwise impact the vesting of the Restricted Units subject to the Award, except as set forth in Section 3 herein.

5. **Protective Covenants.** In consideration of, among other things, the grant of the Award to the Employee, the Employee acknowledges and agrees, by acceptance of the Award, to the following provisions:

(a) **Non-Solicitation.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or another business, person or entity: (i) recruit, induce, solicit or attempt to recruit, induce or solicit any individual employed by the Company to terminate, abandon or otherwise leave or discontinue employment with the Company; or (ii) hire or cause or assist any individual employed by the Company to become employed by or provide services to any other business, person or entity whether as an employee, consultant, contractor or otherwise.

(b) **Customer and Potential Customer Non-Interference.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, individually or on behalf of any other employer or another business, person or entity, entice, induce, solicit or attempt to participate in enticing, inducing or soliciting any Customer or Potential Customer of the Company to cease or reduce or refrain from doing business with the Company; or (ii) on behalf of any

Competitive Business, entice, induce, solicit or attempt to participate in enticing, inducing or solicit, or accept or attempt to participate in accepting, business from any Customer or Potential Customer of the Covered Unit(s).

(c) **Non-Competition.** During the Protective Covenant Period, the Employee shall not, directly or indirectly, as an employee, independent contractor, consultant, officer, director, manager, principal, lender or investor, engage or otherwise participate in any activities with, or provide services to, a Competitive Business, without the prior written consent of the Vice President, Chief Human Resources Officer of the Company or other designated executive officer of the Company (which consent shall be such officer’s discretion to give or withhold). Nothing in this Section 5(c) shall preclude the Employee from owning up to 1% of the equity in any publicly traded company.

(d) No Disparagement or Detrimental Comments. During the Employee's employment with the Company and thereafter, the Employee shall not, directly or indirectly, make or publish, or cause to be made or published, any statement, observation or opinion, whether verbal or written, that criticizes, disparages, defames or otherwise impugns or reasonably may be interpreted to criticize, disparage, defame or impugn, the character, integrity or reputation of the Company or its products, goods, systems or services, or its current or former directors, officers, employees, agents, successors or assigns. Nothing in this Section 5(d) is intended or should be construed to prevent the Employee from providing truthful testimony or information to any person or entity as required by law or fiduciary duties or as may be necessary in the performance of the Employee's duties in connection with the Employee's employment with the Company.

(e) Confidentiality. During the Employee's employment with the Company and thereafter, the Employee shall not use or disclose, except on behalf of the Company and pursuant to and in compliance with its direction and policies, any Confidential Information of (i) the Company or (ii) any third party received by the Company which the Company is obligated to keep confidential. This Section 5(e) will apply in addition to, and not in derogation of, any other confidentiality or non-disclosure agreement that may exist, now or in the future, between the Employee and the Company.

(f) Consideration and Acknowledgment. The Employee acknowledges and agrees to each of the following: (i) the Employee's acceptance of the Award and participation in the Plan is voluntary; (ii) the benefits and rights provided by the Agreement and Plan are wholly discretionary and, although provided by the Company, do not constitute regular or periodic payments; (iii) the benefits and compensation provided under the Agreement are in addition to the benefits and compensation that otherwise are or would be available to the Employee in connection with the Employee's employment with the Company and the grant of the Award is expressly contingent upon the Employee's agreement with the Company contained in Sections 5 and 6; (iv) the scope and duration of the restrictions in Section 5 are fair and reasonable; (v) if any provisions of Sections 5(a), (b), (c), (d) or (e), or any part thereof, are held to be unenforceable, the court making such determinations shall have the power to revise or modify such provision to make it enforceable to the maximum extent permitted by applicable law and, in its revised or modified

form, such provisions shall then be enforceable, and if the provision is not capable of being modified or revised so that it is enforceable, it shall be excised from these Terms and Conditions without

affecting the enforceability of the remaining provisions; and (vi) the time period of the Employee's obligations under Sections 5(a), (b) and (c) shall be extended by a period equal to the length of any breach of those obligations by the Employee, in addition to any and all other remedies provided by these Terms and Conditions or otherwise available to the Company at law or in equity. The Employee further understands and acknowledges that nothing contained in the Agreement limits the Employee's ability (1) to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other Federal, state or local governmental agency or commission ("Government Agencies"); (2) to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company; or (3) under applicable United States Federal law to (x) disclose in confidence trade secrets to Federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or

(y) discloses trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

(g) **Definitions.** For purposes of Section 5 of these Terms and Conditions, the following definitions shall apply:

(1) "**CompetitiveBusiness**" means any business, person or entity that is engaged, or planning or contemplating to engage within a period of twelve (12) months, in any business activity that is competitive with the business and business activities engaged in by the Covered Unit(s).

(2) "**Confidential Information**" means confidential, proprietary or trade secret information, whether or not marked or otherwise designated as confidential, whether in document, electronic or other form, and includes, but is not limited to, information that is not publicly known regarding finances, business and marketing plans, proposals, projections, forecasts, existing and prospective customers, vendor identities, employees and compensation, drawings, manuals, inventions, patent applications, process and fabrication information, research plans and results, computer programs, databases, software flowcharts, specifications, technical a, scientific and technical information, test results and market studies.

(3) "**Company**" means, and shall be deemed to include, the Company and any subsidiary.

(4) "**CoveredUnit(s)**" means: (i) during the period of the Employee's employment with the Company, each business unit of the Company; and (ii) following the Employment Termination Date, each business unit of the Company in or for which the Employee was employed or to which the Employee provided services or about which the Employee obtained or had access to Confidential Information, in each case of this clause (ii) at any time within the twenty-four (24)-month period prior to the Employment Termination Date. The Employee

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acknowledges and agrees that if the Employee is or was employed at the segment level, the Employee is providing or has provided services to and for, and has obtained and has or had access to Confidential Information about each business unit of such segment; and if the Employee is or was employed at the corporate/headquarters level, the Employee is providing or has provided services to and for, and has obtained and has or had access to Confidential Information about each business unit of the Company.

(5) "**Customer**" means, with respect to the Company or the Covered Unit(s), as the case maybe, any business, person or entity who purchased any products, goods, systems or services from the Company or such Covered Unit(s) at any time during the preceding twenty-four (24) months (or, if after the Employment Termination Date, the last twenty-four (24) months) of the Employee's employment with the Company and either with whom the Employee dealt in the course of performing the Employee's job duties for the Company or about whom the Employee has or had Confidential Information.

(6) "**EmploymentTerminationDate**" means the date of termination of the Employee's employment with the Company, voluntarily or involuntarily, for any reason.

(7) "**IndividualEmployed by the Company**" means any employee of the Company with whom the Employee dealt in the course of performing the Employee's job duties at any time during the preceding twelve (12) months (or, if after the Employment Termination Date, the last twelve (12) months) of the Employee's employment with the Company.

(8) **"PotentialCustomer"** means, with respect to the Company or the Covered Unit(s), as the case may be, any business, person or entity targeted during the preceding twelve (12) months (or, if after the Employment Termination Date, the last twelve (12) months of the Employee's employment with the Company) as a customer to purchase any products, goods, systems or services from the Company or such Covered Unit(s) and (i) with whom the Employee has direct or indirect contact, (ii) for whom the Employee participated in the execution of the plant to sell products, goods, systems or services of the Company or such Covered Unit(s), or (iii) about whom the Employee otherwise has or had Confidential Information.

(9) **"Protective Covenant Period"** means the period of the Employee's employment with the Company and the twelve (12) month period following the Employment Termination Date.

(10) **"Solicit"** and **"Soliciting"** mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take or refrain from taking any actions; provided, for purposes of Section 5(a), the term "Solicit" excludes the placement of general advertisements inviting applications for employment that are not targeted to employees of the Company generally or any specific employees of the Company.

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6. Remedies for Breach of Section 5.

(a) **Forfeiture and Clawback.** The Employee agrees, by acceptance of the Award, that if the Employee breaches any provision of Sections 5(a), (b), (c), (d) or (e), in addition to any and all other remedies available to the Company, (i) the Award and all Restricted Units

subject to the Award and any rights with respect to the Award and such Restricted Unit shall upon written notice (which may be in electronic form) immediately be forfeited and terminate and be cancelled; and (ii) the Company shall have the right upon written notice (which may be in electronic form) to reclaim and receive from the Employee all Shares and cash, as applicable, issued or paid to the Employee in respect of the Restricted Units pursuant to Sections 1(b) and 1(c) above, or to the extent the Employee has transferred such Shares, the Fair Market Value thereof (as of the date such Shares were transferred by the Employee) in cash and any such return of Shares or payment of cash by the Employee which requires action on the part of the Employee shall be made within five (5) business days following receipt of written demand therefore.

(b) **Forum.** The Employee agrees, by acceptance of the Award, that any judicial action brought with respect to the provisions of Sections 5 or 6 of these Terms and Conditions may be filed in the United States District Court for the Middle District of Florida or in the Circuit Court of Brevard County, Florida and hereby consents to the jurisdiction of such courts and waives any objection he/she may now or hereafter have to such venue.

(c) **Change in Control.** If a Change in Control of the Company occurs following the grant date of the Award and the Employee ceases thereafter to be an employee of the Company in circumstances set forth in Section 3(c) herein, the provisions of Sections 5 and 6 shall immediately terminate and be of no further force and effect.

7. SecuritiesLawRequirements. The Company shall not be required to issue Shares pursuant to the Award, to the extent required, unless and until (a) such Shares have been duly listed upon each stock exchange on which the Company's Common Stock is then registered; and (b) a registration statement under the Securities Act of 1933, as amended, with respect to such Shares is then effective.

8. BoardCommitteeAdministration. The Board Committee shall have authority, subject to the express provisions of the Plan as in effect from time to time, to construe these Terms and Conditions and the Agreement and the Plan, to establish, amend and rescind rules and regulations relating to the Plan, and to make all other determinations in the judgment of the Board Committee necessary or desirable for the administration of the Plan. The Board Committee may correct any defect or supply any omission or reconcile any inconsistency in these Terms and Conditions and the Agreement in the manner and to the extent it shall deem expedient to carry the Plan into effect, and it shall be the sole and final judge of such expediency.

9. IncorporationofPlanProvisions. These Terms and Conditions and the Agreement are made pursuant to the Plan, the provisions of which are hereby incorporated by reference. Capitalized terms not otherwise defined herein shall have the meanings set forth for such terms in

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the Plan. In the event of a conflict between the terms of these Terms and Conditions and the Agreement and the Plan, the terms of the Plan shall govern.

10. CompliancewithSection409AoftheCode. The Agreement and the Plan are intended to be exempt from the provisions of Section 409A of the Code to the maximum extent permitted by applicable law. To the extent applicable, it is intended that the Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion

provisions of Section 409A(a)(1) of the Code do not apply to the Employee. The Agreement and the Plan shall be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force and effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and maybe made by the Company without the consent of the Employee). If the Award is subject to Section 409A of the Code, a retirement or termination of employment shall not be deemed to occur for purposes of any provision of the Agreement providing for the payment of any amounts upon or following retirement or termination of employment unless such retirement or termination is also a "separation from service" within the meaning of Section 409A of the Code, and for purposes of any such provision in the Agreement, references to a "termination," "termination of employment," "retire," "retirement" or like terms shall mean "separation from service." Payments to an Employee who is Full Retirement Eligible are intended to comply with Treasury Regulation §1.409A-3(c). Notwithstanding anything in the Agreement to the contrary, if the Award is subject to Section 409A of the Code, and if the Employee is a "Specified Employee" (within the meaning of the Company's Specified Employee Policy for 409A Arrangements) as of the date the Employee ceases to be an employee of the Company, then such payout shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee ceased to be an employee of the Company (or, if earlier, the calendar month following the calendar month of the Employee's death) to the extent required by Section 409A of the Code. Notwithstanding the foregoing, no particular tax result for the Employee with respect to any income recognized by the Employee in connection with the Agreement is guaranteed, and the Employee solely shall be responsible for any taxes, penalties or interest imposed on the Employee

in connection with the Agreement. Reference to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

11. Data Privacy; Electronic Delivery. By acceptance of the Award, the Employee acknowledges and agrees that: (a) data, including the Employee's personal data, necessary to administer the Agreement may be exchanged among the Company and its Subsidiaries and affiliates as necessary, and with any vendor engaged by the Company to assist in the administration of equity awards; and (b) unless and until revoked in writing by the Employee, information and materials in connection with the Agreement or any awards under the Plan, including, but not limited to, any prospectuses and plan document, may be provided by means of electronic delivery (including by e-mail, by website access and/or by facsimile).

12. Miscellaneous. These Terms and Conditions and the other portions of the Agreement: (a) shall be binding upon and inure to the benefit of any successor of the Company;

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(b) shall be governed by the laws of the State of Delaware and any applicable law of the United States; and (c) except as permitted under Sections 3.2, 12 and 13.6 of the Plan and Sections 8 and

10 of these Terms and Conditions, may not be amended in a manner that would materially impair the rights of the Employee without the written consent of both the Company and the Employee. The Agreement shall not in any way interfere with or limit the right of the Company or any Subsidiary to terminate the Employee's employment or service with the Company or any Subsidiary at any time, and no contractor right of employment shall be implied by these Terms and Conditions and the Agreement of which they form a part. For purposes of these Terms and Conditions and the Agreement, (i) employment by the Company or any Subsidiary or a successor

to the Company shall be considered employment by the Company; (ii) the closing of a divestiture or other sale of assets or a business of the Company or any Subsidiary (regardless of transaction structure) that results in the Employee no longer being employed by the Company or any Subsidiary shall, for purposes of Section 3(a)(ii)(B) and Section 3(c)(i) of these Terms and Conditions, be treated as an involuntary termination of employment of the Employee by the Company other than for cause (for avoidance of doubt, even if the Employee retains the same employment position with the acquirer following such closing); and (iii) references to "termination of employment," "cessation of employment," "cease to be employed," "cease to be an employee" or similar phrases shall be deemed to have occurred as of the last day actually worked (as determined by the Company), and shall not include any notice period or any period of severance or separation pay or pay continuation (whether required by law or custom or otherwise provided) following the last day actually worked, to the extent consistent with the applicable requirements of Section 409A of the Code; provided, however, that if the Company terminates the Employee's employment as a result of the Employee's disability or as a result of the Employee's failure to return to work when the Employee does not have, or no longer has, a disability, then the last day actually worked shall mean the day of such termination, to the extent consistent with the applicable requirements of Section 409A of the Code. If the Award is assumed or a new award is substituted therefor in any corporate reorganization (including, but not limited to, any transaction of the type referred to in Section 424(a) of the Code), employment by such assuming corporation or by a parent corporation or subsidiary thereof shall be considered for all purposes of the Award to be employment by the Company.

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Exhibit 15

Acknowledgment of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of L3Harris Technologies, Inc.:

We are aware of the incorporation by reference of our report dated **October 27, 2023** **April 26, 2024**, relating to the unaudited condensed consolidated interim financial statements of L3Harris Technologies, Inc. that is included in its Form 10-Q for the quarter ended **September 29, 2023** **March 29, 2024**, in the following Registration Statements of L3Harris Technologies, Inc.:

Form S-3	No. 333-270103	L3Harris Technologies, Inc. Debt Securities, Preferred Stock, Common Stock, Depositary Shares and Warrants
Form S-8	No. 333-268794	L3Harris Technologies, Inc. Retirement Savings Plan
Form S-8	No. 333-232482	L3 Technologies, Inc. Amended and Restated 2008 Long Term Performance Plan; L3 Technologies, Inc. Master Savings Plan; and Aviations Communications & Surveillance Systems 401(k) Plan
Form S-8	No. 333-222821	Harris Corporation Retirement Plan
Form S-8	No. 333-192735	Harris Corporation Retirement Plan
Form S-8	No. 333-163647	Harris Corporation Retirement Plan
Form S-8	No. 333-75114	Harris Corporation Retirement Plan
Form S-8	No. 333-130124	Harris Corporation 2005 Equity Incentive Plan
Form S-8	No. 333-207774	L3Harris Technologies, Inc. Harris Corporation 2015 Equity Incentive Plan

/s/ Ernst & Young LLP

Orlando, Florida

October 27, 2023 **April 26, 2024**

Exhibit 31.1

CERTIFICATION

I, Christopher E. Kubasik, Chair and Chief Executive Officer of L3Harris Technologies, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended **September 29, 2023** **March 29, 2024** of L3Harris Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- 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
- Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **October 27, 2023** **April 26, 2024**

/s/ Christopher E. Kubasik

Name: Christopher E. Kubasik
Title: Chair and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, **Michelle** **Kenneth L. Turner**, **Bedingfield**, Senior Vice President and Chief Financial Officer of L3Harris Technologies, Inc., certify that:

- I have reviewed this Quarterly Report on Form 10-Q for the quarter ended **September 29, 2023** **March 29, 2024** of L3Harris Technologies, Inc.;
- Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 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;
- The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - 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;
 - 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;
 - 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
- Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 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):
 - 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
 - Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **October 27, 2023** **April 26, 2024**

/s/ Michelle Kenneth L. Turner Bedingfield

Name: **Michelle Kenneth L. Turner Bedingfield**

Title: **Senior Vice President and Chief Financial Officer**

Exhibit 32.1

Certification

Pursuant to Section 1350 of Chapter 63 of Title 18 of the
United States Code as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report on Form 10-Q of L3Harris Technologies, Inc. ("L3Harris") for the quarter ended **September 29, 2023** **March 29, 2024**, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Christopher E. Kubasik, Chair and Chief Executive Officer of L3Harris, hereby certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of L3Harris as of the dates and for the periods expressed in the Report.

Date: **October 27, 2023** **April 26, 2024**

/s/ Christopher E. Kubasik

Name: **Christopher E. Kubasik**

Title: **Chair and Chief Executive Officer**

Exhibit 32.2

Certification

Pursuant to Section 1350 of Chapter 63 of Title 18 of the
United States Code as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report on Form 10-Q of L3Harris Technologies, Inc. ("L3Harris") for the quarter ended **September 29, 2023** **March 29, 2024**, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, **Michelle Kenneth L. Turner, Bedingfield**, Senior Vice President and Chief Financial Officer of L3Harris, hereby certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of L3Harris as of the dates and for the periods expressed in the Report.

Date: **October 27, 2023** **April 26, 2024**

/s/ Michelle Kenneth L. Turner Bedingfield

Name: **Michelle Kenneth L. Turner Bedingfield**

Title: **Senior Vice President and Chief Financial Officer**

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