# FORM 10-K

## GENUINE PARTS CO - GPC

**Filed: February 27, 2018 (period: December 31, 2017)**

Annual report with a comprehensive overview of the company

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# Form 10-K

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

**For the fiscal year ended December 31, 2017**

**Or**

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

**For the transition period from to**

**Commission file number: 1-5690**

# GENUINE PARTS COMPANY

*(Exact name of registrant as specified in its charter)*

| **Georgia** | **58-0254510** |
|---|---|
| *(State or other jurisdiction of incorporation or organization)* | *(I.R.S. Employer Identification No.)* |
| **2999 Wildwood Parkway, Atlanta, Georgia** | **30339** |
| *(Address of principal executive offices)* | *(Zip Code)* |

**678-934-5000**

**(Registrant's telephone number, including area code)**

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

| **Title of Each Class** | **Name of Each Exchange on Which Registered** |
|---|---|
| Common Stock, $1 par value per share | New York Stock Exchange |

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

**None**

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

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

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

| Large accelerated filer ☑ | Accelerated filer ☐ | Non-accelerated filer ☐ | Smaller reporting company ☐ |
|---|---|---|---|
| | (Do not check if a smaller reporting company) | | |

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

As of June 30, 2017, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was approximately $12,933,100,000 based on the closing sale price as reported on the New York Stock Exchange.

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

| Class | Outstanding at February 13, 2018 |
|---|---|
| Common Stock, $1 par value per share | 146,734,604 shares |

Specifically identified portions of the Company's definitive Proxy Statement for the Annual Meeting of Shareholders to be held on April 23, 2018 are incorporated by reference into Part III of this Form 10-K.

## PART I.

### ITEM 1. *BUSINESS.*

Genuine Parts Company, a Georgia corporation incorporated on May 7, 1928, is a service organization engaged in the distribution of automotive replacement parts, industrial parts and electrical materials and business products, each described in more detail below. In 2017, business was conducted from more than 3,100 locations throughout the United States, Canada, Mexico, Australia, New Zealand and Europe. In November 2017, the Company expanded its operations into France, the U.K., Germany and Poland. As of December 31, 2017, the Company employed approximately 48,000 persons.

As used in this report, the "Company" refers to Genuine Parts Company and its subsidiaries, except as otherwise indicated by the context; and the terms "automotive parts" and "industrial parts" refer to replacement parts in each respective category.

*Financial Information about Segments.* For financial information regarding segments as well as our geographic areas of operation, refer to Note 12 of Notes to Consolidated Financial Statements beginning on page F-1.

*Available Information.* The Company's internet website can be found at www.genpt.com. The Company makes available, free of charge through its internet website, access to the Company's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and other reports, and any amendments to these documents, as soon as reasonably practicable after such material is filed with or furnished to the Securities and Exchange Commission ("SEC"). Additionally, our corporate governance guidelines, codes of conduct and ethics, and charters of the Audit Committee and the Compensation, Nominating and Governance Committee of our Board of Directors, as well as information regarding our procedure for shareholders and other interested parties to communicate with our Board of Directors, are available on our website.

In Part III of this Form 10-K, we incorporate certain information by reference to our proxy statement for our 2018 annual meeting of shareholders. We expect to file that proxy statement with the SEC on or about February 27, 2018, and we will make it available online at the same time at http://www.proxydocs.com/gpc. Please refer to the proxy statement for the information incorporated by reference into Part III of this Form 10-K when it is available.

### AUTOMOTIVE PARTS GROUP

The Automotive Parts Group, the largest division of the Company, distributes automotive parts and accessory items in the U.S., Canada, Mexico, Australasia, France, the U.K., Germany and Poland. The Automotive Parts Group offers complete inventory, cataloging, marketing, training and other programs to the automotive aftermarket in each of these regions to distinguish itself from the competition. The Company is the sole member of the National Automotive Parts Association ("NAPA"), a voluntary trade association formed in 1925 to provide nationwide distribution of automotive parts.

During 2017, the Company's Automotive Parts Group included NAPA automotive parts distribution centers and automotive parts stores ("auto parts stores" or "NAPA AUTO PARTS stores") owned and operated in the United States by the Company; NAPA and Traction automotive parts distribution centers and auto parts stores in the United States and Canada owned and operated by the Company and NAPA Canada/UAP Inc. ("NAPA Canada/UAP"), a wholly-owned subsidiary of the Company; auto parts stores and distribution centers in the United States operated by corporations in which the Company owned either a noncontrolling or controlling interest; auto parts stores in Canada operated by corporations in which NAPA Canada/UAP owns a 50% interest; Repco and other automotive parts distribution centers, branches and auto parts stores in Australia and New Zealand owned and operated by GPC Asia Pacific, a wholly-owned subsidiary of the Company; import automotive parts distribution centers in the United States owned by the Company and operated by its Altrom America division; import automotive parts distribution centers in Canada owned and operated by Altrom Canada Corporation ("Altrom Canada"), a wholly-owned subsidiary of the Company; distribution centers in the United States owned by Balkamp, Inc. ("Balkamp"), a wholly-owned subsidiary of the Company; distribution facilities in the United States owned by the Company and operated by its Rayloc division; automotive parts distribution centers and automotive parts stores in Mexico, owned and operated by Grupo Auto Todo, S.A. de C.V. ("Auto Todo"), a wholly-owned subsidiary of the Company; and an automotive parts distribution center and automotive parts stores in Mexico, owned and operated by Autopartes NAPA Mexico ("NAPA Mexico"), a wholly-owned subsidiary of the Company.

The Company's automotive parts network was expanded in 2017 via the acquisition of various store groups and automotive operations in the U.S., Australasia and Canada. In the United States, the Company acquired Standard Motor Parts in Baltimore, Maryland, which operates five locations, as well as Olympic Brake Supply in Seattle, Washington, which operates six locations, in January and February of 2017, respectively. Additionally, the Company added 14 new locations in the Tucson, Arizona market with the acquisition of Merle's Automotive Supply in May 2017, and 17 new locations with the addition of Monroe Motor Products in Rochester, New York, in November 2017. The Company also added four new locations

to its heavy vehicle parts operations with the June 2017 acquisition of Stone Truck Parts, headquartered in Raleigh, North Carolina.

The GPC Asia Pacific automotive business expanded its distribution network in Australia with the addition of three single-location businesses, including Welch Auto Parts in July 2017, Logan City Autobarn in August of 2017, subsequently re-branded as a NAPA Auto Super Store, and Sulco Tools and Equipment in September of 2017. Finally, the NAPA Canada/UAP business enhanced its auto parts and heavy vehicle distribution network with the addition of three new businesses. In April of 2017, NAPA Canada/UAP acquired Service de Freins Montreal Ltee ("Freno"), with four locations in Canada, and Belcher Parts and Attachments, with one location in Canada. In December of 2017, NAPA Canada/UAP also acquired Universal Supply Group, a 21 store operation in eastern Ontario serving the automotive, paint and body and heavy vehicle sectors. Collectively, the new store groups and automotive operations across the U.S., Australasia and Canada are expected to generate annual revenues of approximately $217 million.

Further, effective November 2, 2017, the Company acquired Alliance Automotive Group ("AAG") for approximately $2.0 billion, including the repayment of AAG's outstanding debt. The purchase was funded primarily through new debt agreements. AAG is the second largest parts distributor in Europe, with a focus on light vehicle and commercial vehicle replacement parts. Headquartered in London, England, AAG has annual revenues of approximately $1.7 billion and over 2,000 company-owned stores and affiliated outlets across France, the U.K., Germany and Poland.

The Company has a 15% interest in Mitchell Repair Information Corporation (“MRIC”), a subsidiary of Snap-on Incorporated. MRIC is a leading automotive diagnostic and repair information company that links North American subscribers to its services and information databases. MRIC’s core product, “Mitchell ON-DEMAND,” is a premier electronic repair information source in the automotive aftermarket.

The Company’s NAPA automotive parts distribution centers distribute replacement parts (other than body parts) for substantially all motor vehicle makes and models in service in the United States, including imported vehicles, trucks, SUVs, buses, motorcycles, recreational vehicles and farm vehicles. In addition, the Company distributes replacement parts for small engines, farm equipment and heavy duty equipment. The Company’s inventories also include accessory items for such vehicles and equipment, and supply items used by a wide variety of customers in the automotive aftermarket, such as repair shops, service stations, fleet operators, automobile and truck dealers, leasing companies, bus and truck lines, mass merchandisers, farms, industrial concerns and individuals who perform their own maintenance and parts installation. Although the Company’s domestic automotive operations purchase from approximately 100 different suppliers, approximately 48% of 2017 automotive parts inventories were purchased from 10 major suppliers. Since 1931, the Company has had return privileges with most of its suppliers, which have protected the Company from inventory obsolescence.

*Distribution System.* In 2017, the Company operated 57 domestic NAPA automotive parts distribution centers located in 41 states and approximately 1,100 domestic company-owned NAPA AUTO PARTS stores located in 45 states. The Company also operated domestically three TW Distribution heavy duty parts distribution centers which serve 20 company-owned and seven independently owned Traction Heavy Duty parts stores located in eight states. The Traction operations are discussed further below in Related Operations. At December 31, 2017, the Company had either a noncontrolling, controlling or other interest in 12 corporations, which operated approximately 200 auto parts stores in 14 states.

The Company’s domestic distribution centers serve approximately 4,800 independently owned NAPA AUTO PARTS stores located throughout the United States. NAPA AUTO PARTS stores, in turn, sell to a wide variety of customers in the automotive aftermarket. Collectively, sales to these independent automotive parts stores account for approximately 59% of the Company’s total U.S. Automotive sales and 22% of the Company’s total sales, with no automotive parts store or group of automotive parts stores with individual or common ownership accounting for more than 0.79% of the total U.S. auto sales and 0.29% of the total sales of the Company.

NAPA Canada/UAP, founded in 1926, is a leader in the distribution and marketing of replacement parts and accessories for automobiles and trucks and is also a significant supplier to the mining and forestry industries in Canada. NAPA Canada/UAP operates a network of nine NAPA automotive parts distribution centers, three heavy duty parts distribution centers and one fabrication/remanufacturing facility supplying 589 NAPA stores and 109 Traction wholesalers. The NAPA stores and Traction wholesalers in Canada include 176 company owned stores, 11 joint ventures and 21 progressive owners in which NAPA Canada/UAP owns a 50% interest and 490 independently owned stores. NAPA and Traction operations supply bannered installers and independent installers in all provinces of Canada, as well as networks of service stations and repair shops operating under the banners of national accounts. NAPA Canada/UAP is a licensee of the NAPA® name in Canada.

In Canada, Altrom Canada operates two import automotive parts distribution centers and 26 branches. In the United States, Altrom America operates two import automotive parts distribution centers and eight branches.

In Australia and New Zealand, GPC Asia Pacific, originally established in 1922, is a leading distributor of automotive replacement parts and accessories. GPC Asia Pacific operates 12 distribution centers, 482 auto parts stores, primarily under the Repco banner, and 78 branches associated with the Ashdown Ingram, Motospecs, McLeod and RDA Brakes operations. As

discussed earlier, GPC Asia Pacific expanded its footprint with the 2017 acquisitions of Welch Auto Parts, Logan City autoBarn and Sulco Tools and Equipment.

In Mexico, Auto Todo owns and operates 11 distribution centers, one auto parts store and one tire center. NAPA Mexico owns and operates one distribution center and serves 13 company-owned and 28 independently owned auto parts stores. Auto Todo and NAPA Mexico are licensees of the NAPA® name in Mexico.

Alliance Automotive Group, founded in 1989, is a leading European distributor of vehicle parts, tools, and workshop equipment with operations in four countries in Europe. In France, AAG operates 15 distribution centers and 1,014 stores, of which 220 are company-owned, under the banners GROUPAUTO France, Precisium Group, Partner's, and GEF Auto. In the U.K., AAG operates 25 distribution centers and 771 stores, of which 106 are company-owned, under the banners GROUPAUTO UK & Ireland and UAN. In Germany, AAG operates eight distribution centers and 37 company-owned stores under the banner Alliance Automotive Group Germany. In Poland, AAG operates 210 affiliated outlets under the banner GROUPAUTO Polska.

*Products.* Distribution centers in the U.S. have access to approximately 530,000 different parts and related supply items. Each item is cataloged and numbered for identification and accessibility. Significant inventories are carried to provide for fast and frequent deliveries to customers. Most orders are filled and shipped the same day they are received. The majority of sales are paid from statements with varied terms and conditions. The Company does not manufacture any of the products it distributes. The majority of products are distributed under the NAPA® name, a mark licensed to the Company by NAPA, which is important to the sales and marketing of these products. Traction sales also include products distributed under the HD Plus name, a proprietary line of automotive parts for the heavy duty truck market.

*Related Operations.* Balkamp, a wholly-owned subsidiary of the Company, distributes a wide variety of replacement parts and accessory items for passenger cars, heavy-duty vehicles, motorcycles and farm equipment. In addition, Balkamp distributes service items such as testing equipment, lubricating equipment, gauges, cleaning supplies, chemicals and supply items used by repair shops, fleets, farms and institutions. Balkamp packages many of the 42,000 products, which constitute the “Balkamp” line of products that are distributed through the NAPA system. These products are categorized into over 238 different product categories purchased from approximately 500 domestic suppliers and over 100 foreign manufacturers. Balkamp has two distribution centers located in Plainfield, Indiana, and West Jordan, Utah. In addition, Balkamp operates two redistribution centers that provide the NAPA system with over 1,300 SKUs of oils and chemicals. BALKAMP®, a federally registered trademark, is important to the sales and marketing promotions of the Balkamp organization.

The Company, through its Rayloc division, operates four facilities focused on providing cost effective, quality service in engineering, cataloging, global sourcing, and distribution. With over 10,000 part numbers, including brake pads, brake drums, chassis, and bearings, Rayloc delivers products through a nationwide distribution network of four transfer and shipping facilities. Products are distributed through the NAPA system under the NAPA® brand name. Rayloc® is a mark licensed to the Company by NAPA.

The Company’s Heavy Vehicle Parts Group operates as TW Distribution, with three heavy vehicle automotive parts distribution centers and 27 Traction Heavy Duty parts stores in the United States. Twenty of these stores are company-owned and seven are independently owned. This group, which expanded its U.S. footprint with the acquisition of Stone Truck Parts in 2017 (discussed earlier) distributes heavy vehicle parts through the NAPA system and direct to small and large fleet owners and operators.

*Segment Data.* In the year ended December 31, 2017, sales from the Automotive Parts Group were approximately 53% of the Company’s net sales, as compared to 53% in 2016 and 52% in 2015. For additional segment information, see Note 12 of Notes to Consolidated Financial Statements beginning on page F-1.

*Service to NAPA AUTO PARTS Stores.* The Company believes that the quality and the range of services provided to its automotive parts customers constitute a significant advantage for its automotive parts distribution system. Such services include fast and frequent delivery, parts cataloging (including the use of electronic NAPA AUTO PARTS catalogs) and stock adjustment through a continuing parts classification system which, as initiated by the Company from time to time, allows independent retailers (“jobbers”) to return certain merchandise on a scheduled basis. The Company offers its NAPA AUTO PARTS store customers various management aids, marketing aids and service on topics such as inventory control, cost analysis, accounting procedures, group insurance and retirement benefit plans, as well as marketing conferences and seminars, sales and advertising manuals and training programs. Point of sale/inventory management is available through TAMS® (Total Automotive Management Systems), a computer system designed and developed by the Company for the NAPA AUTO PARTS stores.

The Company has developed and refined an inventory classification system to determine optimum distribution center and auto parts store inventory levels for automotive parts stocking based on automotive registrations, usage rates, production statistics, technological advances and other similar factors. This system, which undergoes continuous analytical review, is an integral part of the Company’s inventory control procedures and comprises an important feature of the inventory management

services that the Company makes available to its NAPA AUTO PARTS store customers. Over the last 25 years, losses to the Company from obsolescence have been insignificant and the Company attributes this to the successful operation of its classification system, which involves product return privileges with most of its suppliers.

*Competition*. The automotive parts distribution business is highly competitive. The Company competes with automobile manufacturers (some of which sell replacement parts for vehicles built by other manufacturers as well as those that they build themselves), automobile dealers, warehouse clubs and large automotive parts retail chains. In addition, the Company competes with the distributing outlets of parts manufacturers, oil companies, mass merchandisers (including national retail chains), and with other parts distributors and retailers, including online retailers. The Automotive Parts Group competes primarily on product offering, service, brand recognition and price. Further information regarding competition in the industry is set forth in "Item 1A. Risk Factors — We Face Substantial Competition in the Industries in Which We Do Business."

*NAPA*. The Company is the sole member of the National Automotive Parts Association, a voluntary association formed in 1925 to provide nationwide distribution of automotive parts. NAPA, which neither buys nor sells automotive parts, functions as a trade association whose sole member in 2017 owned and operated 57 distribution centers located throughout the United States. NAPA develops marketing concepts and programs that may be used by its members which, at December 31, 2017, includes only the Company. It is not involved in the chain of distribution.

Among the automotive products purchased by the Company from various manufacturers for distribution are certain lines designated, cataloged, advertised and promoted as "NAPA" lines. Generally, the Company is not required to purchase any specific quantity of parts so designated and it may, and does, purchase competitive lines from the same as well as other supply sources.

The Company uses the federally registered trademark NAPA® as part of the trade name of its distribution centers and parts stores. The Company funds NAPA's national advertising program, which is designed to increase public recognition of the NAPA name and to promote NAPA product lines.

The Company is a party, together with the former members of NAPA, to a consent decree entered by the Federal District Court in Detroit, Michigan, on May 4, 1954. The consent decree enjoins certain practices under the federal antitrust laws, including the use of exclusive agreements with manufacturers of automotive parts, allocation or division of territories among the Company and former NAPA members, fixing of prices or terms of sale for such parts among such members, and agreements to adhere to any uniform policy in selecting parts customers or determining the number and location of, or arrangements with, auto parts customers.

**INDUSTRIAL PARTS GROUP**

The Industrial Parts Group is operated as Motion Industries, Inc. ("Motion"), a wholly-owned subsidiary of the Company headquartered in Birmingham, Alabama. Motion distributes industrial replacement parts and related supplies such as bearings, mechanical and electrical power transmission products, industrial automation, hose, hydraulic and pneumatic components, industrial and safety supplies and material handling products to MRO (maintenance, repair and operation) and OEM (original equipment manufacturer) customers throughout the United States, Canada and Mexico.

In Canada, industrial parts are distributed by Motion Industries (Canada), Inc. ("Motion Canada"). The Mexican market is served by Motion Mexico S de RL de CV ("Motion Mexico").

In 2017, the Industrial Parts Group served more than 300,000 customers in all types of industries located throughout North America, including the food and beverage, forest products, primary metals, pulp and paper, mining, automotive, oil and gas, petrochemical and pharmaceutical industries; as well as strategically targeted specialty industries such as power generation, alternative energy, government, transportation, ports, and others. Motion services all manufacturing and processing industries with access to a database of 7.1 million parts. Additionally, Motion provides U.S. government agencies access to approximately 400,000 products and replacement parts through a Government Services Administration (GSA) schedule.

Effective April 3, 2017, the Company expanded its industrial operations beyond North America by making a 35% investment in Inenco Group ("Inenco") for approximately $72 million in cash. Inenco, headquartered in Sydney, Australia, is a leading distributor of industrial replacements parts and accessories in Australasia, with annual revenues of approximately $325 million and operating in 161 locations across Australia, New Zealand, and Asia. In accordance with the purchase agreement, the Company has an option to acquire the remaining 65% interest in Inenco at a later date, contingent upon Inenco meeting certain financial conditions. In 2017, the Company accounted for this investment under the equity method of accounting.

Effective August 1, 2017, Motion acquired Numatic Engineering ("Numatic"), a Los Angeles, California based distributor of automation products. Numatic complements Motion's growth strategy, which included the acquisition of Braas Company in 2016, of focusing on the area of industrial plant floor automation. Numatic is expected to generate approximately $18 million in annual revenues. Additionally, Motion acquired Apache Hose & Belting Company, Inc. ("Apache") on November 1, 2017. Apache, which operates seven locations across the United States, is based in Cedar Rapids, Iowa, and specializes in value-

added fabrication of belts, hoses and other industrial products. Apache is expected to generate approximately $100 million in annual revenues.

The Industrial Parts Group provides customers with supply chain efficiencies achieved through the Company's On-Site Solutions offering. This service provides inventory management, asset repair and tracking, vendor managed inventory commonly referred to as VMI, as well as RFID asset management of the customer's inventory. Motion's Energy Services Team routinely performs in-plant surveys and assessments, helping customers reduce their energy consumption and finding opportunities for improved sustainability, ultimately helping customers operate more profitably. Motion also provides a wide range of services and repairs such as: gearbox and fluid power assembly repair, process pump assembly and repair, hydraulic drive shaft repair, electrical panel assembly and repair, hose and gasket manufacture and assembly, as well as many other value-added services. A highly developed supply chain with vendor partnerships and connectivity are enhanced by Motion's leading e-business capabilities, such as MiSupplierConnect, which provides integration between the Company's information technology network and suppliers' systems, creating numerous benefits for both the supplier and customer. These services and supply chain efficiencies assist Motion in providing the cost savings that many of its customers require and expect.

*Distribution System.* In North America, the Industrial Parts Group operated 498 branches, 14 distribution centers and 43 service centers as of December 31, 2017. The distribution centers stock and distribute more than 275,000 different items purchased from more than 1,050 different suppliers. The service centers provide hydraulic, hose and mechanical repairs for customers. Approximately 45% of total industrial product purchases in 2017 were made from 10 major suppliers. Sales are generated from the Industrial Parts Group's branches located in 49 states, Puerto Rico, nine provinces in Canada, and Mexico. Most branches have warehouse facilities that stock significant amounts of inventory representative of the products used by customers in the respective market area served.

*Products.* The Industrial Parts Group distributes a wide variety of parts and products to its customers, which are primarily industrial concerns. Products include such items as hoses, belts, bearings, pulleys, pumps, valves, chains, gears, sprockets, speed reducers, electric motors, and industrial supplies. In recent years, Motion expanded its offering to include systems and automation products in response to the increasing sophistication of motion control and process automation for full systems integration of plant equipment. Manufacturing trends and government policies have led to opportunities in the "green" and energy-efficient product markets, focusing on product offerings such as energy-efficient motors and drives, recyclable and environmentally friendly parts and supplies. The nature of this group's business demands the maintenance of adequate inventories and the ability to promptly meet demanding delivery requirements. Virtually all of the products distributed are installed by the customer or used in plant and facility maintenance activities. Most orders are filled immediately from existing stock and deliveries are normally made within 24 hours of receipt of order. The majority of all sales are on open account. Motion has ongoing purchase agreements with existing customers that represent approximately 50% of the annual sales volume.

*Supply Agreements.* Non-exclusive distributor agreements are in effect with most of the Industrial Parts Group's suppliers. The terms of these agreements vary; however, it has been the experience of the Industrial Parts Group that the custom of the trade is to treat such agreements as continuing until breached by one party or until terminated by mutual consent. Motion has return privileges with most of its suppliers, which helps protect the Company from inventory obsolescence.

*Segment Data.* In the year ended December 31, 2017, sales from the Company's Industrial Parts Group approximated 30% of the Company's net sales, as compared to 30% in 2016 and 2015. For additional segment information, see Note 12 of Notes to Consolidated Financial Statements beginning on page F-1.

*Competition.* The industrial parts distribution business is highly competitive. The Industrial Parts Group competes with other distributors specializing in the distribution of such items, general line distributors and others who provide similar services. To a lesser extent, the Industrial Parts Group competes with manufacturers that sell directly to the customer. The Industrial Parts Group competes primarily on the breadth of product offerings, service and price. Further information regarding competition in the industry is set forth in "Item 1A. Risk Factors — We Face Substantial Competition in the Industries in Which We Do Business."

**BUSINESS PRODUCTS GROUP**

The Business Products Group (formerly referred to as our Office Products Group), operated through S.P. Richards Company ("S.P. Richards" or "SPR"), a wholly-owned subsidiary of the Company, is headquartered in Atlanta, Georgia. S.P. Richards is engaged in the wholesale distribution of a broad line of office and other business related products through a diverse customer base of resellers. These products are used in homes, businesses, schools, offices, and other institutions. Business products fall into the general categories of office furniture, technology products, general office, school supplies, cleaning, janitorial and breakroom supplies, safety and security items, healthcare products and disposable food service products.

The Business Products Group is represented in Canada through S.P. Richards Canada, a wholly-owned subsidiary of the Company headquartered near Toronto, Ontario. S.P. Richards Canada services office product resellers throughout Canada from locations in Vancouver, Toronto, Calgary, Edmonton and Winnipeg.

*Distribution System*. The Business Products Group distributes more than 98,000 items to over 9,700 resellers and distributors throughout the United States and Canada from a network of 55 distribution centers. This group's network of strategically located distribution centers provides overnight delivery of the Company's comprehensive product offering. Approximately 45% of the Company's total office products purchases in 2017 were made from 10 major suppliers.

The Business Products Group sells to a wide variety of resellers. These resellers include independently owned office product dealers, national office product superstores and mass merchants, large contract stationers, mail order companies, Internet resellers, college bookstores, military base stores, office furniture dealers, value-add technology resellers, business machine dealers, janitorial and sanitation supply distributors, safety product resellers and food service distributors. Resellers are offered comprehensive marketing programs, which include print and electronic catalogs and flyers, digital content and email campaigns for reseller websites, and education and training resources. In addition, world-class market analytics programs are made available to qualified resellers.

*Products*. The Business Products Group distributes technology products and consumer electronics including storage media, printer supplies, iPad, iPhone and computer accessories, calculators, shredders, laminators, copiers, printers, fitness bracelets and digital cameras; office furniture including desks, credenzas, chairs, chair mats, office suites, panel systems, file, mobile and storage cabinets and computer workstations; general office supplies including desk accessories, business forms, accounting supplies, binders, filing supplies, report covers, writing instruments, envelopes, note pads, copy paper, mailroom and shipping supplies, drafting and audiovisual supplies; school and educational products including bulletin boards, teaching aids and art supplies; healthcare products including first aid supplies, gloves, exam room supplies and furnishings, cleaners and waste containers; janitorial and cleaning supplies; safety supplies; disposable food service products; and breakroom supplies including napkins, utensils, snacks and beverages. S.P. Richards has return privileges with most of its suppliers, which have protected the Company from inventory obsolescence.

While the Company's inventory includes products from nearly 850 of the industry's leading manufacturers worldwide, S.P. Richards also markets products under its nine proprietary brands. These brands include: Sparco™, an economical line of office supply basics; Compucessory®, a line of computer accessories; Lorell®, a line of office furniture; NatureSaver®, an offering of recycled products; Elite Image®, a line of new and remanufactured toner cartridges, premium papers and labels; Integra™, a line of writing instruments; Genuine Joe®, a line of cleaning and breakroom products; Business Source®, a line of basic office supplies available only to independent resellers; and Lighthouse, a brand of janitorial and cleaning products offered through the GCN business. The Company's Impact and The Safety Zone businesses also offer an additional series of proprietary brands including ProGuard®, ProMax® and The Safety Zone that are product based and solution-specific oriented. Through the Company's FurnitureAdvantage™ program, S.P. Richards provides resellers with an additional 16,000 furniture items made available to consumers in 7 to 10 business days.

*Segment Data*. In the year ended December 31, 2017, sales from the Company's Business Products Group approximated 12% of the Company's net sales, as compared to 13% in 2016 and 2015. For additional segment information, see Note 12 of Notes to Consolidated Financial Statements beginning on page F-1.

*Competition*. The business products distribution business is highly competitive. In the distribution of its product offering to resellers, S.P. Richards competes with many other wholesale distributors, as well as with certain manufacturers of office products. S.P. Richards competes primarily on product offerings, service, marketing programs, brand recognition and price. Further information regarding competition in the industry is set forth in "Item 1A. Risk Factors — We Face Substantial Competition in the Industries in Which We Do Business."

**ELECTRICAL/ELECTRONIC MATERIALS GROUP**

The Electrical/Electronic Materials Group, operated as EIS, Inc. ("EIS"), a wholly-owned subsidiary of the Company, is headquartered in Atlanta, Georgia. EIS distributes materials to more than 20,000 electrical and electronic manufacturers, as well as to industrial assembly and specialty wire and cable markets in North America. With 38 branch locations and six fabrication facilities in the United States, Puerto Rico, the Dominican Republic, Mexico and Canada, EIS distributes over 100,000 items including wire, cable and connectivity solutions, insulating and conductive materials, assembly tools and test equipment. EIS' six fabrication facilities provide custom fabricated parts and specialty coated materials.

Effective April 5, 2017, EIS acquired Empire Wire and Supply ("Empire"), an innovative provider of custom cable assemblies and distributor of network, electrical, automation and safety products. Empire, based in Rochester Hills, Michigan, operates from three U.S. locations as well as one location in Canada, and is expected to generate approximately $65 million in annual revenues.

Effective January 1, 2018, EIS was combined with Motion Industries, the Industrial Parts Group, and will be identified as its Electrical Specialties Group. The combination of these two segments will provide strong economies of scale and greater operating efficiencies, which we intend to leverage. The opportunity to build synergies by sharing talent, physical resources, greater size and scale, and value-added expertise in each respective market channel is highly compelling, and the Company anticipates this combination will create value for both our customers and all our stakeholders.

*Distribution System*. The Electrical/Electronic Materials Group provides distribution services to OEMs, motor repair shops and a variety of industrial assembly markets, as well as specialty wire and cable users in market segments such as telecom and broadband, marine, industrial, smart building technology, factory automation and robotics. EIS actively utilizes its e-commerce Internet site to present its products to customers while allowing these on-line visitors to conveniently purchase from a large product assortment.

Electrical and electronic, industrial assembly, and wire and cable products are distributed from warehouse locations in major user markets throughout the United States, as well as in Mexico, Canada, Puerto Rico, and the Dominican Republic. EIS has return privileges with some of its suppliers, which have protected the Company from inventory obsolescence.

*Products*. The Electrical/Electronic Materials Group distributes a wide variety of products to customers from over 2,000 suppliers. These products include custom fabricated flexible materials that are used as components within a customer's manufactured finished product in a variety of market segments. Among the products distributed and fabricated are such items as magnet wire, conductive materials, electrical wire and cable, cable assemblies, insulating and shielding materials, assembly tools, test equipment, adhesives and chemicals, pressure sensitive tapes, solder, anti-static products, thermal management products and coated films. To meet the prompt delivery demands of its customers, the Electrical/Electronic Materials Group maintains large inventories. The majority of sales are on open account. Approximately 50% of total Electrical/Electronic Materials Group purchases in 2017 were made from 10 major suppliers.

*Integrated Supply*. The Electrical/Electronic Materials Group's integrated supply programs are a part of the marketing strategy, as a greater number of customers — especially national accounts — are given the opportunity to participate in this low-cost, high-service capability. EIS has developed AIMS (Advanced Inventory Management Solutions), a totally integrated, highly automated suite of solutions for inventory management. EIS' integrated supply offering also includes AIMS Dispense, an electronic vending dispenser used to eliminate costly tool cribs, or in-house stores, at customer warehouse facilities.

*Segment Data*. In the year ended December 31, 2017, sales from the Company's Electrical/Electronic Materials Group approximated 5% of the Company's net sales, as compared to 4% in 2016 and 5% in 2015. For additional segment information, see Note 12 of Notes to Consolidated Financial Statements beginning on page F-1.

*Competition*. The electrical and electronics distribution business is highly competitive. The Electrical/Electronic Materials Group competes with other distributors specializing in the distribution of electrical and electronic products, general line distributors and, to a lesser extent, manufacturers that sell directly to customers. EIS competes primarily on factors of price, product offerings, service and engineered solutions. Further information regarding competition in the industry is set forth in "Item 1A. Risk Factors — We Face Substantial Competition in the Industries in Which We Do Business."

## ITEM 1A. *RISK FACTORS*.

### FORWARD-LOOKING STATEMENTS

Some statements in this report, as well as in other materials we file with the SEC or otherwise release to the public and in materials that we make available on our website, constitute forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Senior officers may also make verbal statements to analysts, investors, the media and others that are forward-looking. Forward-looking statements may relate, for example, to future operations, including the anticipated synergies and benefits of any acquisitions, as well as prospects, strategies, financial condition, economic performance (including growth and earnings), industry conditions and demand for our products and services. The Company cautions that its forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated in our forward-looking statements as a result of various important factors. Such factors include, but are not limited to, those discussed below.

Forward-looking statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent Forms 10-Q, 8-K and other reports to the SEC.

Set forth below are the material risks and uncertainties that, if they were to occur, could materially and adversely affect our business or could cause our actual results to differ materially from the results contemplated by the forward-looking statements in this report and in the other public statements we make. Please be aware that these risks may change over time and other risks may prove to be important in the future. New risks may emerge at any time, and we cannot predict such risks or estimate the extent to which they may affect our business, financial condition, results of operations or the trading price of our securities.

***We may not be able to successfully implement our business initiatives in each of our four business segments to grow our sales and earnings, which could adversely affect our business, financial condition, results of operations and cash flows.***

We have implemented numerous initiatives in each of our four business segments to grow sales and earnings, including the introduction of new and expanded product lines, strategic acquisitions, geographic expansion (including through acquisitions), sales to new markets, enhanced customer marketing programs and a variety of gross margin and cost savings initiatives. If we are unable to implement these initiatives efficiently and effectively, or if these initiatives are unsuccessful, our business, financial condition, results of operations and cash flows could be adversely affected.

Successful implementation of these initiatives also depends on factors specific to the automotive parts industry and the other industries in which we operate and numerous other factors that may be beyond our control. In addition to the other risk factors contained in this "Item 1A. Risk Factors", adverse changes in the following factors could undermine our business initiatives and have a material adverse effect on our business, financial condition, results of operations and cash flows:

- the competitive environment in our end markets may force us to reduce prices below our desired pricing level or to increase promotional spending;
- our ability to anticipate changes in consumer preferences and to meet customers' needs for our products in a timely manner;
- our ability to successfully enter new markets, including by successfully identifying and acquiring suitable acquisition targets in these new markets;
- our ability to effectively manage our costs;
- our ability to continue to grow through acquisitions and successfully integrate acquired businesses in our existing operations;
- our ability to identify and successfully implement appropriate technological, digital and e-commerce solutions;
- the occurrence of unusually severe weather events, which can disrupt our operations (forcing temporary closure of retail and distribution centers, prohibiting shipment of inventory and products) and negatively impact our results in the affected geographies; and
- the economy in general.

***Our business will be adversely affected if demand for our products slows.***

Our business depends on customer demand for the products that we distribute. Demand for these products depends on many factors.

With respect to our automotive group, the primary factors are:

- the number of miles vehicles are driven annually, as higher vehicle mileage increases the need for maintenance and repair;
- the number of vehicles in the automotive fleet, a function of new vehicle sales and vehicle scrappage rates, as a steady or growing total vehicle population supports the continued demand for maintenance and repair;
- the quality of the vehicles manufactured by the original vehicle manufacturers and the length of the warranty or maintenance offered on new vehicles;
- the number of vehicles in current service that are six years old and older, as these vehicles are typically no longer under the original vehicle manufacturers' warranty and will need more maintenance and repair than newer vehicles;
- the addition of electric vehicles, hybrid vehicles, and autonomously driven vehicles and future legislation related thereto;
- gas prices, as increases in gas prices may deter consumers from using their vehicles;
- changes in travel patterns, which may cause consumers to rely more on other transportation;
- restrictions on access to diagnostic tools and repair information imposed by the original vehicle manufacturers or by governmental regulation, as consumers may be forced to have all diagnostic work, repairs and maintenance performed by the vehicle manufacturers' dealer networks; and
- the economy generally, which in declining conditions may cause consumers to defer vehicle maintenance and repair and defer discretionary spending.

With respect to our industrial parts group, the primary factors are:

- the level of industrial production and manufacturing capacity utilization, as these indices reflect the need for industrial replacement parts;

- changes in manufacturing reflected in the level of the Institute for Supply Management's Purchasing Managers Index, as an index reading of 50 or more implies an expanding manufacturing economy, while a reading below 50 implies a contracting manufacturing economy;
- the consolidation of certain of our manufacturing customers and the trend of manufacturing operations being moved overseas, which subsequently reduces demand for our products;
- changes in legislation or government regulations or policies which could impact international trade among our multi-national customer base and cause reduced demand for our products; and
- the economy in general, which in declining conditions may cause reduced demand for industrial output.

With respect to our business products group, the primary factors are:

- the increasing digitization of the workplace, as this negatively impacts the need for certain office products;
- the level of unemployment, especially as it relates to white collar and service jobs, as high unemployment reduces the need for office products;
- the level of office vacancy rates, as high vacancy rates reduces the need for office products;
- consolidation of customers and consolidation of the industry; and
- the economy in general, which in declining conditions may cause reduced demand for business products consumption.

With respect to our electrical/electronic materials group, the primary factors are:

- changes in manufacturing reflected in the level of the Institute for Supply Management's Purchasing Managers Index, as an index reading of 50 or more implies an expanding manufacturing economy, while a reading below 50 implies a contracting manufacturing economy; and
- the economy in general, which in declining conditions may cause reduced demand for industrial output.

***Changes in legislation or government regulations or policies could have a significant impact on our results of operations.***

Certain political developments, including the results of the presidential election in the U.S. and the decision of the United Kingdom to exit the European Union, have resulted in increased economic uncertainty for multi-national companies. These developments may result in economic and trade policy actions that could impact economic conditions in many countries and change the landscape of international trade. Our business is global, so changes to existing international trade agreements, blocking of foreign trade or imposition of tariffs on foreign goods could result in decreased revenues and/or increases in pricing, either of which could have an adverse impact on our business, results of operations, financial condition and cash flows in future periods. In addition, the Tax Cuts and Jobs Act (the "Act") was signed into law on December 22, 2017. The Act, which reduces the U.S. corporate tax rate to 21 percent from 35 percent for taxable years beginning after December 31, 2017, requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were previously tax deferred and creates new taxes on certain foreign sourced earnings. It resulted in the Company writing down our deferred tax assets in 2017 and recording a payable for the estimated transition tax on foreign sourced earnings. These amounts were provisional and could be adjusted in 2018 as calculations are finalized and the full effects of the Act are reflected on our business and financial results.

***Uncertainty and/or deterioration in general macro-economic conditions, including unemployment, inflation or deflation, changes in tax policies, changes in energy costs, uncertain credit markets, or other economic conditions, could have a negative impact on our business, financial condition, results of operations and cash flows.***

Our business and operating results have been and may in the future be adversely affected by uncertain global economic conditions, including domestic outputs, employment rates, inflation or deflation, changes in tax policies, instability in credit markets, declining consumer and business confidence, fluctuating commodity prices, interest rates, volatile exchange rates, and other challenges that could affect the global economy. Both our commercial and retail customers may experience deterioration of their financial resources, which could result in existing or potential customers delaying or canceling plans to purchase our products. Our vendors could experience similar conditions, which could impact their ability to fulfill their obligations to us. Future weakness in the global economy could adversely affect our business, results of operations, financial condition and cash flows in future periods.

***We face substantial competition in the industries in which we do business.***

The sale of automotive and industrial parts, business products and electrical materials is highly competitive and impacted by many factors, including name recognition, product availability, customer service, changing customer preferences, store location, and pricing pressures. Because we seek to offer competitive prices, if our competitors reduce their prices, we may be

forced to reduce our prices, which could result in a material decline in our revenues and earnings. Increased competition among distributors of automotive and industrial parts, office products and electronic materials, including increased availability among digital and e-commerce providers across the markets in which we do business, could cause a material adverse effect on our results of operations. The Company anticipates no decline in competition in any of its four business segments in the foreseeable future.

In particular, the market for replacement automotive parts is highly competitive and subjects us to a wide variety of competitors. We compete primarily with national and regional auto parts chains, independently owned regional and local automotive parts and accessories stores, automobile dealers that supply manufacturer replacement parts and accessories, mass merchandisers, internet providers and wholesale clubs that sell automotive products and regional and local full service automotive repair shops, both new and established.

Furthermore, both the automotive aftermarket and the office supply industries continue to experience consolidation. Consolidation among our competitors could further enhance their financial position, provide them with the ability to provide more competitive prices to customers for whom we compete, and allow them to achieve increased efficiencies in their consolidated operations that enable them to more effectively compete for customers. If we are unable to continue to develop successful competitive strategies or if our competitors develop more effective strategies, we could lose customers and our sales and profits may decline.

In addition, the loss of a major customer in the business products group could significantly impact its results of operations.

***We depend on our relationships with our vendors, and a disruption of our vendor relationships or a disruption in our vendors' operations could harm our business.***

As a distributor of automotive parts, industrial parts, business products and electrical/electronic materials, our business depends on developing and maintaining close and productive relationships with our vendors. We depend on our vendors to sell us quality products at favorable prices. Many factors outside our control, including, without limitation, raw material shortages, inadequate manufacturing capacity, labor disputes, transportation disruptions, tax and legislative uncertainties or weather conditions, could adversely affect our vendors' ability to deliver to us quality merchandise at favorable prices in a timely manner.

Furthermore, financial or operational difficulties with a particular vendor could cause that vendor to increase the cost of the products or decrease the quality of the products we purchase from it. Vendor consolidation could also limit the number of suppliers from which we may purchase products and could materially affect the prices we pay for these products. In addition, we would suffer an adverse impact if our vendors limit or cancel the return privileges that currently protect us from inventory obsolescence.

***We recognize the growing demand for business-to-business and business-to-customer digital and e-commerce options and solutions, and we could lose business if we fail to provide the digital and e-commerce options and solutions our customers wish to use.***

Our success in digital and e-commerce depends on our ability to accurately identify the products to make available through digital and e-commerce platforms across our business segments, and to establish and maintain such platforms to provide the highest level of data security to our customers on and through the platforms our customers wish to use (including mobile) with rapidly changing technology in a highly competitive environment.

***If we experience a security breach, if our internal information systems fail to function properly or if we are unsuccessful in implementing, integrating or upgrading our information systems, our business operations could be materially affected.***

We depend on information systems to process customer orders, manage inventory and accounts receivable collections, purchase products, manage accounts payable processes, ship products to customers on a timely basis, maintain cost effective operations, provide superior service to customers and accumulate financial results. Despite our implementation of security measures, our IT systems are vulnerable to damages from computer viruses, natural disasters, unauthorized physical or electronic access, power outages, computer system or network failures, cyber-attacks and other similar disruptions. Maintaining and operating these measures requires continuous investments, which the Company has made and will continue to make. A security breach could result in sensitive data being lost, manipulated or exposed to unauthorized persons or to the public.

A serious prolonged disruption of our information systems for any of the above reasons could materially impair fundamental business processes and increase expenses, decrease sales or otherwise reduce earnings. Furthermore, such a breach may harm our reputation and business prospects and subject us to legal claims if there is loss, disclosure or misappropriation of or access to our customers' information. As threats related to cyber security breaches develop and grow, we may also find it necessary to make further investments to protect our data and infrastructure.

***Because we are involved in litigation from time to time and are subject to numerous laws and governmental regulations, we could incur substantial judgments, fines, legal fees and other costs.***

We are sometimes the subject of complaints or litigation from customers, employees or other third parties for various reasons. The damages sought against us in some of these litigation proceedings are substantial. Although we maintain liability insurance for some litigation claims, if one or more of the claims were to greatly exceed our insurance coverage limits or if our insurance policies do not cover a claim, this could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Additionally, we are subject to numerous federal, state and local laws and governmental regulations relating to taxes, environmental protection, product quality standards, building and zoning requirements, as well as employment law matters. If we fail to comply with existing or future laws or regulations, we may be subject to governmental or judicial fines or sanctions, while incurring substantial legal fees and costs. In addition, our capital expenses could increase due to remediation measures that may be required if we are found to be noncompliant with any existing or future laws or regulations.

***We are dependent on key personnel and the loss of one or more of those key personnel could harm our business.***

Our future success significantly depends on the continued services and performance of our key management personnel. We believe our management team's depth and breadth of experience in our industry is integral to executing our business plan. We also will need to continue to attract, motivate and retain other key personnel. The loss of services of members of our senior management team or other key employees, the inability to attract additional qualified personnel as needed or failure to plan for the succession of senior management and key personnel could have a material adverse effect on our business.

***Our increased debt levels could adversely affect our cash flow and prevent us from fulfilling our obligations.***

We have an unsecured revolving credit facility and unsecured senior notes, which could have important consequences to our financial health. For example, our level of indebtedness could, among other things:

- make it more difficult to satisfy our financial obligations, including those relating to the senior unsecured notes and our credit facility;
- increase our vulnerability to adverse economic and industry conditions;
- limit our flexibility in planning for, or reacting to, changes and opportunities in our industry, which may place us at a competitive disadvantage;
- require us to dedicate a substantial portion of our cash flows to service the principal and interest on the debt, reducing the funds available for other business purposes, such as working capital, capital expenditures or other cash requirements;
- limit our ability to incur additional debt with acceptable terms; and
- expose us to fluctuations in interest rates.

In addition, the terms of our financing obligations include restrictions, such as affirmative, negative and financial covenants, conditions on borrowing and subsidiary guarantees. A failure to comply with these restrictions could result in a default under our financing obligations or could require us to obtain waivers from our lenders for failure to comply with these restrictions. The occurrence of a default that remains uncured or the inability to secure a necessary consent or waiver could have a material adverse effect on our business, financial condition, results of operations and cash flows.

## ITEM 1B. *UNRESOLVED STAFF COMMENTS.*

Not applicable.

## ITEM 2. *PROPERTIES.*

The Company's corporate and Automotive Parts Group headquarters are located in two office buildings owned by the Company in Atlanta, Georgia.

The Company's Automotive Parts Group currently operates 57 NAPA Distribution Centers in the United States distributed among eight geographic divisions. Approximately 90% of the distribution center properties are owned by the Company. At December 31, 2017, the Company operated approximately 1,100 NAPA AUTO PARTS stores located in 45 states, and the Company had either a noncontrolling, controlling or other interest in 200 additional auto parts stores in 14 states. Other than NAPA AUTO PARTS stores located within Company owned distribution centers, the majority of the automotive parts stores in which the Company has an ownership interest are operated in leased facilities. In addition, NAPA Canada/UAP operates 12 distribution centers, one fabrication/remanufacturing facility and approximately 188 automotive parts and Traction stores in Canada. In Mexico, Auto Todo operates 11 distribution centers, one automotive parts store, and one tire center, and NAPA Mexico operates one distribution center and 13 automotive parts stores. These operations in both Canada and Mexico

are conducted in leased facilities. GPC Asia Pacific operates throughout Australia and New Zealand with 12 distribution centers, 482 auto parts stores, primarily under the Repco banner, and 78 branches associated with the Ashdown Ingram, Motospecs, McLeod and RDA Brakes operations. These distribution center, store and branch operations are conducted in leased facilities. In 2017, the Company expanded its global distribution network to Europe through the Alliance Automotive Group acquisition described above. In France, the Company operates 15 distribution centers and 220 company-owned stores. In the U.K., the Company operates 25 distribution centers and 106 company-owned stores. In Germany, the Company operates eight distribution centers and 37 company-owned stores. Alliance Automotive Group serves affiliated outlets in Poland, but has no company-owned operations in that country. AAG's locations are operated in leased facilities, other than three distribution centers and the U.K. country office which are company-owned.

The Company's Automotive Parts Group also operates four Balkamp distribution and redistribution centers, four Rayloc distribution facilities and four transfer and shipping facilities. Two of the Balkamp distribution centers and the four Rayloc distribution facilities are conducted in facilities owned by the Company. Altrom Canada operates two import automotive parts distribution centers and 26 branches, and Altrom America operates two import automotive parts distribution centers and eight branches. The Heavy Vehicle Parts Group operates three TW distribution centers, which serve 27 Traction stores of which 20 are company owned and located in the U.S. These operations are all conducted in leased facilities.

The Company's Industrial Parts Group, operating through Motion and Motion Canada, operates 14 distribution centers, 43 service centers and 498 branches. Approximately 90% of these locations are operated in leased facilities and the remainder are Company owned.

The Company's Business Products Group operates 49 facilities in the United States and six facilities in Canada distributed among the Group's four geographic divisions. Approximately 75% of these facilities are operated in leased buildings and the remainder are Company owned.

The Company's Electrical/Electronic Materials Group operates in 38 locations in the United States, one location in Puerto Rico, one location in the Dominican Republic, three locations in Mexico and one location in Canada. All of this Group's 44 facilities are operated in leased buildings.

We believe that our facilities on the whole are in good condition, are adequately insured, are fully utilized and are suitable and adequate to conduct the business of our current operations.

For additional information regarding rental expense on leased properties, see Note 5 of Notes to Consolidated Financial Statements beginning on page F-1.

## ITEM 3. *LEGAL PROCEEDINGS.*

The Company is subject to various legal and governmental proceedings, many involving routine litigation incidental to the businesses, including approximately 2,170 product liability lawsuits resulting from its national distribution of automotive parts and supplies. Many of these involve claims of personal injury allegedly resulting from the use of automotive parts distributed by the Company. While litigation of any type contains an element of uncertainty, the Company believes that its defense and ultimate resolution of pending and reasonably anticipated claims will continue to occur within the ordinary course of the Company's business and that resolution of these claims will not have a material effect on the Company's business, results of operations or financial condition.

## ITEM 4. *MINE SAFETY DISCLOSURES.*

Not applicable.

## PART II.

**ITEM 5.** ***MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.***

**Market Information Regarding Common Stock**

The Company's common stock is traded on the New York Stock Exchange under the ticker symbol "GPC". The following table sets forth the high and low sales prices for the common stock per quarter as reported on the New York Stock Exchange and dividends per share of common stock paid during the last two fiscal years:

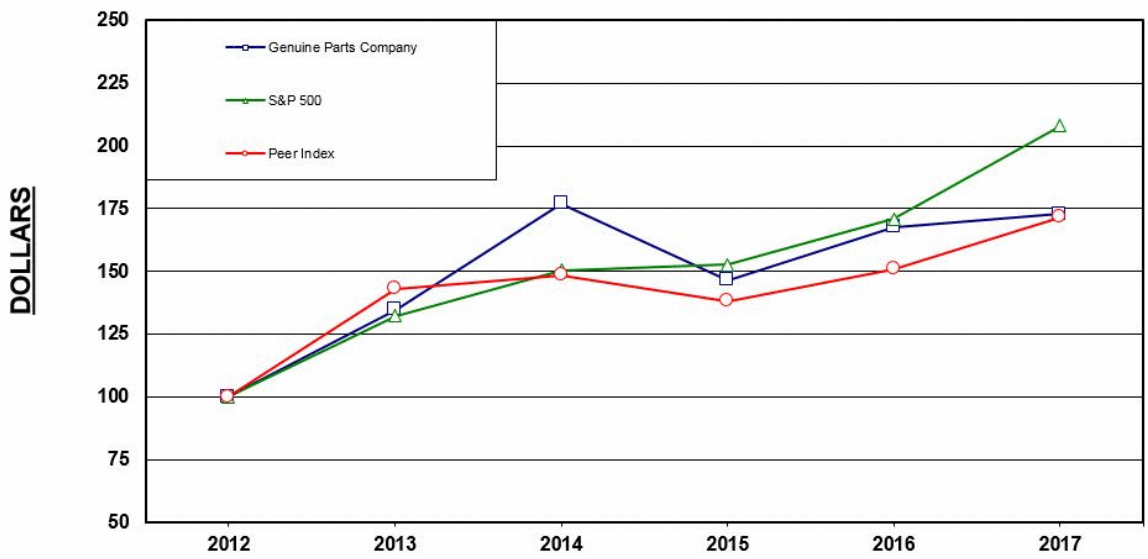
| | Sales Price of Common Shares | | | |
|---|---|---|---|---|
| | 2017 | | 2016 | |
| | High | Low | High | Low |
| **Quarter** | | | | |
| First | **$ 100.90** | **$ 91.93** | $ 99.59 | $ 76.50 |
| Second | **95.87** | **88.88** | 101.28 | 92.25 |
| Third | **97.65** | **79.86** | 105.97 | 95.96 |
| Fourth | **98.63** | **84.71** | 100.34 | 86.61 |

| | Dividends Declared per Share | |
|---|---|---|
| | 2017 | 2016 |
| **Quarter** | | |
| First | **$ 0.6750** | $ 0.6575 |
| Second | **0.6750** | 0.6575 |
| Third | **0.6750** | 0.6575 |
| Fourth | **0.6750** | 0.6575 |

**Stock Performance Graph**

Set forth below is a line graph comparing the yearly dollar change in the cumulative total shareholder return on the Company's Common Stock against the cumulative total shareholder return of the Standard and Poor's 500 Stock Index and a peer group composite index structured by the Company as set forth below for the five year period that commenced December 31, 2012 and ended December 31, 2017. This graph assumes that $100 was invested on December 31, 2012 in Genuine Parts Company Common Stock, the S&P 500 Stock Index (the Company is a member of the S&P 500, and its cumulative total shareholder return went into calculating the S&P 500 results set forth in the graph) and the peer group composite index as set forth below and assumes reinvestment of all dividends.

**Comparison of five year cumulative total shareholder return**




Genuine Parts Company, S&P 500 Index and peer group composite index

| Cumulative Total Shareholder Return<br>$ at Fiscal Year End | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|
| Genuine Parts Company | 100.00 | 134.71 | 177.18 | 146.63 | 167.61 | 172.88 |
| S&P 500 | 100.00 | 132.39 | 150.51 | 152.59 | 170.84 | 208.14 |
| Peer Index | 100.00 | 143.10 | 148.58 | 138.13 | 151.01 | 171.56 |

In constructing the peer group composite index ("Peer Index") for use in the stock performance graph above, the Company used the shareholder returns of various publicly held companies (weighted in accordance with each company's stock market capitalization at December 31, 2012 and including reinvestment of dividends) that compete with the Company in three industry segments: automotive parts, industrial parts and business products (each group of companies included in the Peer Index as competing with the Company in a separate industry segment is hereinafter referred to as a "Peer Group"). Included in the automotive parts Peer Group are those companies making up the Dow Jones U.S. Auto Parts Index (the Company is a member of such industry group, and its individual shareholder return was included when calculating the Peer Index results set forth in the performance graph). Included in the industrial parts Peer Group are Applied Industrial Technologies, Inc. and Kaman Corporation and included in the business products Peer Group is Essendant. The Peer Index does not break out a separate electrical/electronic peer group due to the fact that there is currently no true market comparative to EIS. The electrical/electronic component of sales is redistributed to the Company's other segments on a pro rata basis to calculate the final Peer Index.

In determining the Peer Index, each Peer Group was weighted to reflect the Company's annual net sales in each industry segment. Each industry segment of the Company comprised the following percentages of the Company's net sales for the fiscal years shown:

| Industry Segment | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|
| Automotive Parts | 49% | 53% | 53% | 52% | 53% | 53% |
| Industrial Parts | 34% | 31% | 31% | 30% | 30% | 30% |
| Business Products | 13% | 12% | 11% | 13% | 13% | 12% |
| Electrical/Electronic Materials | 4% | 4% | 5% | 5% | 4% | 5% |

**Holders**

As of December 31, 2017, there were 4,497 holders of record of the Company's common stock. The number of holders of record does not include beneficial owners of the common stock whose shares are held in the names of various dealers, clearing agencies, banks, brokers and other fiduciaries.

**Issuer Purchases of Equity Securities**

The following table provides information about the purchases of shares of the Company's common stock during the three month period ended December 31, 2017:

| Period | Total Number of Shares Purchased(1) | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(2) | Maximum Number of Shares That May Yet be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| October 1, 2017 through October 31, 2017 | — | — | — | 17,388,516 |
| November 1, 2017 through November 30, 2017 | 3,827 | $ 90.31 | — | 17,388,516 |
| December 1, 2017 through December 31, 2017 | 68,820 | $ 94.13 | 17,313 | 17,371,203 |
| Totals | 72,647 | $ 93.93 | 17,313 | 17,371,203 |

(1) Includes shares surrendered by employees to the Company to satisfy tax withholding obligations in connection with the vesting of shares of restricted stock, the exercise of stock options and/or tax withholding obligations.

(2) On November 17, 2008, and August 21, 2017, the Board of Directors announced that it had authorized the repurchase of 15 million shares and 15 million shares, respectively. The authorization for these repurchase plans continues until all such shares have been repurchased or the repurchase plan is terminated by action of the Board of Directors. Approximately 2.4 million shares authorized in the 2008 plan and 15.0 million shares authorized in 2017 remain available to be repurchased by the Company. There were no other plans announced as of December 31, 2017.

**ITEM 6. *SELECTED FINANCIAL DATA*.**

The following table sets forth certain selected historical financial and operating data of the Company as of the dates and for the periods indicated. The following selected financial data are qualified by reference to, and should be read in conjunction with, the consolidated financial statements, related notes and other financial information beginning on page F-1, as well as in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this report.

| Year Ended December 31, | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| | (In thousands, except per share data) | | | | |
| Net sales | **$ 16,308,801** | $ 15,339,713 | $ 15,280,044 | $ 15,341,647 | $ 14,077,843 |
| Cost of goods sold | **11,402,403** | 10,740,106 | 10,724,192 | 10,747,886 | 9,857,923 |
| Operating and non-operating expenses, net | **3,897,130** | 3,525,267 | 3,432,171 | 3,476,022 | 3,175,616 |
| Income before taxes | **1,009,268** | 1,074,340 | 1,123,681 | 1,117,739 | 1,044,304 |
| Income taxes | **392,511** | 387,100 | 418,009 | 406,453 | 359,345 |
| Net income | **$ 616,757** | $ 687,240 | $ 705,672 | $ 711,286 | $ 684,959 |
| Weighted average common shares outstanding during year — assuming dilution | **147,701** | 149,804 | 152,496 | 154,375 | 155,714 |
| Per common share: | | | | | |
| Diluted net income | **$ 4.18** | $ 4.59 | $ 4.63 | $ 4.61 | $ 4.40 |
| Dividends declared | **2.70** | 2.63 | 2.46 | 2.30 | 2.15 |
| December 31 closing stock price | **95.01** | 95.54 | 85.89 | 106.57 | 83.19 |
| Total debt, less current maturities | **2,550,020** | 550,000 | 250,000 | 500,000 | 500,000 |
| Total equity | **3,464,156** | 3,207,356 | 3,159,242 | 3,312,364 | 3,358,768 |
| Total assets | **$ 12,412,381** | $ 8,859,400 | $ 8,144,771 | $ 8,246,238 | $ 7,680,297 |

In 2017, the Company incurred $49.1 million ($28.0 million after-tax) in transaction-related costs primarily associated with the acquisition of Alliance Automotive Group. In addition, the Company recorded a $51.0 million tax expense related to the transition tax associated with foreign earnings and the revaluation of deferred tax assets and liabilities as required by the Tax Cuts and Jobs Act of 2017. The following table sets forth a reconciliation of net income and net income per common share to adjusted net income and adjusted diluted net income per common share to account for the impact of these adjustments. The Company does not, nor does it suggest investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, GAAP financial information. The Company believes that the presentation of adjusted net income and adjusted net income per common share provides meaningful supplemental information to both management and investors that is indicative of the Company's core operations.

| Year Ended December 31, | 2017 | 2016 |
|---|---|---|
| | (In thousands, except per share data) | |
| GAAP net income | **$ 616,757** | $ 687,240 |
| Diluted net income per common share | **$ 4.18** | $ 4.59 |
| Add after-tax adjustments: | | |
| Transition tax and deferred tax revaluation | **50,986** | — |
| Transaction-related costs | **28,039** | — |
| Adjusted net income | **$ 695,782** | $ 687,240 |
| Adjusted diluted net income per common share | **$ 4.71** | $ 4.59 |

**ITEM 7.** ***MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.***

**OVERVIEW**

Genuine Parts Company is a service organization engaged in the distribution of automotive replacement parts, industrial parts and electrical materials and business products. We have a long tradition of growth dating back to 1928, the year we were founded in Atlanta, Georgia. The Company conducted business in 2017 throughout the United States, Canada, Australia, New Zealand, Mexico, the U.K., France, Germany, Poland and Puerto Rico from approximately 3,100 locations.

For the periods presented, the Company operates in four business segments: Automotive; Industrial; Business Products; and, Electrical and Electronic. Effective in 2018, EIS, our Electrical and Electronic business segment, will be identified as the Electrical Specialties Group of Motion Industries, and will be included within the results of our Industrial business segment. The combination of these two segments will provide strong economies of scale and greater operating efficiencies, which we intend to leverage. The opportunity to build synergies by sharing talent, physical resources, greater size and scale, and value-added expertise in each respective market channel is highly compelling. We anticipate this combination will create value for both our customers and all our stakeholders.

We recorded consolidated net sales of $16.3 billion for the year ended December 31, 2017, an increase of 6.3% compared to sales in 2016. Consolidated net income for the year ended December 31, 2017 was $617 million and diluted net income per share was $4.18. Adjusted net income was $696 million for the year ended December 31, 2017, and adjusted diluted net income per share was $4.71. Adjusted net income and adjusted diluted net income per share exclude the impact of transaction-related costs primarily related to the Company's acquisition of Alliance Automotive Group and the transition tax associated with foreign earnings and the revaluation of deferred tax assets and liabilities as required by the Tax Cuts and Jobs Act of 2017.

In 2017, our growth strategy centered around positioning the Company for sustained long term sales and earnings growth. We also executed on our initiatives to grow revenues and overcome the challenged sales environment in our U.S. automotive, business products and electrical/electronic businesses. Additionally, we were focused on creating a lower cost, but highly effective infrastructure. These efforts included steps to accelerate the integration of our acquisitions, investments to enhance our productivity and innovative strategies to offset rising costs.

Total sales in 2016 and 2015 were essentially flat relative to the prior year periods. Net income in 2016 was down by 3% and decreased by 1% in 2015 when compared to the prior year. Our revenue and earnings in 2016 reflected the impact of a challenging sales environment that persisted in the U.S. throughout the year. In 2015, revenue and earnings reflected a 3% negative impact of currency translation and after adjusting for this factor, the Company produced an increase in both sales and net income. Over the three year period of 2015 through 2017, our financial performance reflects a variety of initiatives the Company implemented to grow sales and earnings across our businesses. Examples of such initiatives include strategic acquisitions, the introduction of new and expanded product lines, including those carried by acquired companies, geographic expansion, sales to new markets, enhanced customer marketing programs and a variety of gross margin and cost savings initiatives. We discuss these initiatives further below.

With regard to the December 31, 2017 consolidated balance sheet, the Company's cash balance of $315 million compares to cash of $243 million at December 31, 2016. The Company continues to maintain a strong cash position, supported by relatively steady net income and effective asset management. Accounts receivable increased 25% from the prior year and is up 3% excluding the AAG and other recent acquisitions as well as the impact of foreign currency. The 3% increase compares to an approximate 4.5% sales increase in the fourth quarter of 2017. Inventory is up by approximately 17%, including the impact of acquisitions, and is relatively unchanged excluding the AAG and other recent acquisitions as well as the impact of foreign currency. Accounts payable increased 18% from the prior year, and is up 3% excluding the AAG and other recent acquisitions as well as the impact of foreign currency. The slight increase in accounts payable before these items reflects improved payment terms with certain suppliers offset by the decrease in purchases in the fourth quarter of the year. Total debt outstanding at December 31, 2017 was $3.2 billion, an increase from total debt of $875 million at December 31, 2016, which is related to the acquisition of AAG.

**RESULTS OF OPERATIONS**

Our results of operations are summarized below for the three years ended December 31, 2017, 2016 and 2015.

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| | (In thousands except per share data) | | |
| Net sales | **$ 16,308,801** | $ 15,339,713 | $ 15,280,044 |
| Gross margin | **4,906,398** | 4,599,607 | 4,555,852 |
| Net income | **616,757** | 687,240 | 705,672 |
| Diluted net income per common share | **4.18** | 4.59 | 4.63 |

***Net Sales***

Consolidated net sales for the year ended December 31, 2017 totaled $16.3 billion, up 6.3% from 2016. 2017 net sales included a 4.4% contribution from acquisitions, net of store closures, an approximate 1.5% increase in core sales and an approximate 0.4% positive impact of currency translation. Core sales growth, which represents the Company's comparable sales, included an approximate 0.6% increase in sales volume and product inflation of approximately 0.9%. The impact of product inflation varied by business in 2017, as prices were up approximately 0.3% in the Automotive segment, up approximately 2.0% in the Industrial segment, up approximately 1.3% in the Electrical/Electronic segment and up approximately 0.6% in the Business Products segment. Due to the Company's global initiatives to grow revenues and create a lower cost, but highly effective infrastructure, it is well positioned for sustainable long-term growth.

Consolidated net sales for the year ended December 31, 2016 totaled $15.3 billion, up slightly from 2015. 2016 net sales included a 2.4% contribution from acquisitions, net of store closures, offset by a 1.1% decrease in core sales and an approximate 0.5% negative impact of currency translation. Additionally, the Company experienced product deflation of approximately 0.3%. The impact of product inflation/deflation varied by business in 2016 and, cumulatively, prices were down approximately 0.7% in the Automotive segment, up approximately 0.4% in the Industrial segment, up approximately 0.3% in the Business Products segment and down approximately 1.2% in the Electrical/Electronic segment.

*Automotive Group*

Net sales for the Automotive Group (“Automotive”) were $8.7 billion in 2017, a 7% increase from 2016. The increase in sales for the year consists of an approximate 5% contribution from acquisitions, a 1% comparable sales increase and an approximate 1% positive impact of currency translation associated with our automotive businesses in Canada, Australasia and Mexico. Automotive sales were also positively impacted by product inflation of 0.3%, which is included in the comparable sales increase. In 2017, total Automotive revenues were up 3% in the first quarter, up 4% in the second and third quarters and up 17% in the fourth quarter. The significant increase in fourth quarter sales relative to the first three quarters of 2017 primarily reflects the incremental revenues from the Alliance Automotive Group acquisition on November 2, 2017. Throughout 2017, the sales environment for the automotive aftermarket was stronger in our international markets of Canada, Australasia and Mexico than in the United States. In our view, however, the underlying fundamentals in the automotive aftermarket, including the overall number and age of the vehicle population as well as the positive increase in miles driven, remain supportive of sustained demand for automotive aftermarket maintenance and supply items across the markets we serve. We expect these fundamentals as well as key sales initiatives to drive sales growth for the Automotive business in 2018.

Net sales for the Automotive Group were $8.1 billion in 2016, a 1% increase from 2015. The increase in sales for the year consists of an approximate 1% comparable sales increase and a 1% contribution from acquisitions, less an approximate 1% negative impact of currency translation associated with our automotive businesses in Canada, Australasia and Mexico. Automotive sales were negatively impacted by product deflation of 0.7%, which is included in the comparable sales increase. In 2016, Automotive revenues were up 2% in the first quarter, down 1% in the second quarter, up 1.5% in the third quarter and up 2% in the fourth quarter.

*Industrial Group*

Net sales for Motion Industries, our Industrial Group (“Industrial”), were $5.0 billion in 2017, up 7.2% from 2016. The increase in sales for the year reflects an approximate 4.4% comparable sales increase, a 2.6% contribution from acquisitions and a slight positive impact of currency translation associated with our Canadian and Mexican operations. Motion's sales were also positively impacted by product inflation of 2.0%, as a portion of this increase is passed through to customers and included in the comparable sales increase. Industrial revenues were up 7% in each of the four quarters in 2017, which correlates to the ongoing strength in the industrial economy throughout the year. This was evidenced by positive economic indicators such as Manufacturing Industrial Production, the Purchasing Managers Index, the level of exports and the continued stabilization of the energy sector. We believe the Industrial business is well positioned for ongoing profitable growth in 2018.

Net sales for Industrial were $4.6 billion in 2016, basically unchanged from 2015. An approximate 2.6% decrease in sales volumes and a slight negative impact of currency translation associated with our Canadian and Mexican operations were partially offset by higher transaction values associated with 0.4% product inflation and approximately 2% in sales from acquisitions. Industrial revenues were down 2.5% in the first quarter of 2016, down 2% in the second quarter, down 1% in the third quarter and up 4% in the fourth quarter. The sequential improvement in this group's sales performance correlated to the growing strength in the industrial economy during the year. In addition, the energy sector, which had contracted throughout 2015 and the first half of 2016, began to stabilize over the last half of 2016.

*Business Products Group*

Net sales for S. P. Richards, our Business Products Group ("Business Products"), were $2.0 billion in 2017, an increase of 1.5% from 2016. The increase in sales reflects a 4.8% contribution from acquisitions, offset by an approximate 3.3% decrease in comparable sales, inclusive of a 0.6% increase in higher transaction values associated with price inflation. Sales were up 9% in the first quarter, up 5% in the second quarter, down 5% in the third quarter and down 2% in the fourth quarter of 2017. While the business products industry continues to face significant challenges, our strategy to diversify our traditional product offering into the large and growing Facilities, Breakroom and Safety Supplies (FBS) category has proven beneficial. Looking ahead, we remain focused on our core growth initiatives and the further diversification of this business, but will continue to evaluate all opportunities that may help us more effectively navigate the difficult industry dynamics in which we compete.

Net sales for Business Products were $2.0 billion in 2016, an increase of 2% from 2015. The increase in sales reflects an approximate 7% contribution from acquisitions and a 0.3% increase in higher transaction values associated with price inflation. These items were offset by an approximate 6% decrease in sales volume. Sales were down 3% in the first quarter, up 1% in the second quarter, up 5% in the third quarter and up 4% in the fourth quarter of 2016. Overall, this growth was driven by our strategy to further diversify the Business Products business in the FBS category.

*Electrical/Electronic Group*

Net sales for EIS, our Electrical and Electronic Group ("Electrical/Electronic"), were $781 million in 2017, an increase of 9.1% from 2016. The increase in sales consists of an 8.3% contribution from acquisitions and an approximate 1% benefit from copper pricing, which were partially offset by a slight decline in comparable sales for the year. Sales were also positively impacted by product inflation of 1.3%, which is included in comparable sales. Sales for Electrical/Electronic increased by 5% in the first quarter, 11% in the second quarter, 12% in the third quarter and 9% in the fourth quarter, relative to the prior year periods. These quarterly sales increases primarily reflect the benefit of acquisitions.

Net sales for Electrical/Electronic were $716 million in 2016, a decrease of 5% from 2015. The decrease in sales consists of an approximate 4% decline in sales volume, a 1.2% decrease from lower transaction values associated with price deflation and a 0.5% negative sales impact of copper pricing. These items were partially offset by an approximate 1% contribution from acquisitions. Sales for Electrical/Electronic decreased by 3% in the first quarter, 5% in the second quarter, 9% in the third quarter and were unchanged in the fourth quarter, relative to the prior year periods. The manufacturing segment of the economy was relatively weak in 2016, which pressured demand across the markets served by this business.

***Cost of Goods Sold***

The Company includes in cost of goods sold the actual cost of merchandise, which represents the vast majority of this line item. Other items in cost of goods sold include warranty costs and in-bound freight from the suppliers, net of any vendor allowances and incentives. Cost of goods sold was $11.40 billion in 2017, $10.74 billion in 2016 and $10.72 billion in 2015. Cost of goods sold in 2017 and 2016 changed from the prior year periods in accordance with the related percentage change in sales for the same periods. In addition, the Company incurred costs of $49.1 million primarily related to the Alliance Automotive Group acquisition, of which $5.6 million was recorded to cost of goods sold in 2017. For these periods, total product inflation or deflation was less than 1% and actual costs were relatively unchanged from the prior year. Cost of goods sold represented 69.9% of net sales in 2017, 70.0% of net sales in 2016 and 70.2% of net sales in 2015 thus, as a percent of net sales, decreased slightly in 2017 and 2016.

In 2017, each of the Company's business segments experienced vendor price increases, while in 2016 and 2015, only the Industrial and Business Products segments experienced vendor price increases. In any year where we experience price increases, we are able to work with our customers to pass most of these along to them.

***Operating Expenses***

The Company includes in selling, administrative and other expenses ("SG&A"), all personnel and personnel-related costs at its headquarters, distribution centers, stores and branches, which accounts for approximately 65% of total SG&A. Additional costs in SG&A include our facilities, delivery, marketing, advertising, technology, digital, legal and professional costs.

SG&A of $3.71 billion in 2017 increased by $334 million or approximately 10% from 2016. This represents 22.7% of net sales compared to 22.0% of net sales in 2016. The increase in SG&A expenses from the prior year reflect a combination of factors, including the impact of increased sales for the year. We also experienced rising costs in areas such as labor, freight, technology, warehousing, insurance, healthcare and other employee benefits. Further, we incurred incremental costs associated with our 15 acquisitions during the year and, in addition, recorded $43.5 million in transaction-related costs primarily associated with the acquisition of Alliance Automotive Group. Finally, our SG&A expenses reflect the impact of higher cost, and higher gross margin, models at select acquisitions, including Alliance Automotive Group. The increase in SG&A expenses as a percentage of net sales from the prior year reflect the increases in costs described above as well as the loss of leverage associated with the Company's 1.5% consolidated comparable sales growth. To improve on our SG&A expense levels, we continue to work towards a lower cost, but highly effective infrastructure. These efforts include steps to accelerate the integration of our acquisitions, investments to enhance our productivity and innovative strategies to unlock greater savings and efficiencies.

Depreciation and amortization expense was $168 million in 2017, an increase of approximately $20 million or 14% from 2016, due primarily to the impact of acquisitions. The provision for doubtful accounts was $14 million in 2017, a $2 million increase from 2016. We believe the Company is adequately reserved for bad debts at December 31, 2017.

SG&A of $3.37 billion in 2016 increased by $93 million or approximately 3% from 2015. This represents 22.0% of net sales compared to 21.4% of net sales in 2015. The increase in SG&A expenses from the prior year reflects the year one costs associated with our 19 acquisitions, as well as the impact of higher cost, and higher gross margin, models at select acquisitions. The increase in SG&A expenses as a percentage of net sales from the prior year reflect the loss of leverage due to negative comparable sales in our U.S. Automotive, Industrial, Business Products and Electrical/Electronic businesses. Depreciation and amortization expense was $147 million in 2016, an increase of approximately $6 million or 4% from 2015. The provision for doubtful accounts was $12 million in 2016, a decrease of $1 million from 2015.

Total share-based compensation expense for the years ended December 31, 2017, 2016 and 2015 was $16.9 million, $19.7 million and $17.7 million, respectively. Refer to Note 6 of the Consolidated Financial Statements for further information regarding share-based compensation.

***Non-Operating Expenses and Income***

Non-operating expenses consist primarily of interest. Interest expense was $41 million in 2017, $21 million in 2016 and $22 million in 2015. The $20 million increase in interest expense in 2017 reflects the combination of higher debt levels throughout the year and rising interest rates on certain variable interest debt instruments. In addition, the Company further increased its debt levels with the acquisition of Alliance Automotive Group on November 2, 2017. The $1 million decrease in interest expense in 2016 compared to 2015 reflects the more favorable interest rate on certain debt, which was renewed in November 2016. This was partially offset by new long-term debt, which commenced in July 2016.

In “Other”, the net benefit of interest income, equity method investment income, investment dividends and noncontrolling interests in 2017 was $31 million, a $5 million increase from the prior year. The increase in Other reflects the incremental investment income associated with the Company's April 2017 Inenco investment as well as higher interest income earned in 2017 relative to 2016. These items totaled $26 million in 2016, an increase from $21 million in 2015 due to higher interest income earned in 2016 relative to 2015.

***Income Before Income Taxes***

Income before income taxes was $1.0 billion in 2017, down 6% from 2016. As a percentage of net sales, income before income taxes was 6.2% in 2017 compared to 7.0% in 2016. Adjusted for $49.1 million in transaction-related costs primarily associated with the Company's acquisition of Alliance Automotive Group on November 2, 2017, income before income taxes was down 1% from 2016 and 6.5% of net sales. In 2016, income before income taxes was $1.1 billion, down 4% from 2015 and as a percentage of net sales was 7.0% compared to 7.4% in 2015.

*Automotive Group*

Automotive income before income taxes as a percentage of net sales, which we refer to as operating margin, decreased to 8.3% in 2017 from 8.8% in 2016. The decrease in margin reflects the loss of expense leverage due to 1% growth in comparable sales for Automotive, as this group requires approximately 3% comparable sales growth to leverage its fixed costs. In addition, rising costs in several areas negatively impacted Automotive's margin. To improve Automotive's operating margin, this group is focused on several initiatives to grow sales and has also enhanced its cost management initiatives to drive savings in 2018 and the years ahead.

Automotive’s operating margin of 8.8% in 2016 was down from 9.1% in 2015 due to the loss of expense leverage on weak comparable sales in the U.S.

*Industrial Group*

Industrial's operating margin was 7.7% in 2017, which is up from 7.3% in 2016. The improvement in operating margin for this group primarily reflects the positive impact of stronger sales growth in 2017 relative to 2016, driven by an improved industrial economy. Gross margins benefited from the increase in supplier incentives and rebates and operating expenses were better leveraged. Industrial enters 2018 in position to further expand their operating margin.

Industrial's operating margin was 7.3% in 2016, which was unchanged from 2015. The constant margin primarily reflects improved gross margins and cost savings associated with initiatives to consolidate locations during 2016, which were partially offset by continued pressure on operating expenses associated with the decrease in comparable sales for the year.

*Business Products Group*

Business Product's operating margin decreased to 4.9% in 2017 from 5.9% in 2016, as gross margin pressures associated with lower supplier incentives as well as rising costs and the deleveraging of expenses due to comparable sales declines in this group's core office supplies business continue to weigh on the operating margin for this business. The Business Products Group enters 2018 focused on its core growth initiatives, the further diversification of its business and the evaluation of options for new and enhanced opportunities that may serve to more effectively navigate the difficult industry dynamics in which we compete.

Business Product's operating margin decreased to 5.9% in 2016 from 7.3% in 2015, primarily due to gross margin pressures associated with lower supplier incentives and the deleveraging of expenses due to comparable sales declines in the core office supplies business.

*Electrical/Electronic Group*

Electrical/Electronic's operating margin was 7.2% in 2017, a decrease from 8.5% in 2016, as changes in product mix pressured gross margins and operating expenses were deleveraged due to the slight decline in comparable sales for the year. We expect further cost savings in 2018, as this group combines with the Industrial Parts Group.

Electrical/Electronic's operating margin decreased to 8.5% in 2016 from 9.3% in 2015, primarily due to changes in product mix that pressured gross margins as well as deleveraging of operating expenses due to lower comparable sales from the previous year. These items were partially offset by cost savings initiatives to consolidate locations.

***Income Taxes***

The Tax Cuts and Jobs Act was enacted December 22, 2017. While not all inclusive, these are the provisions of the Act that materially impact the Company. It reduces the U.S. federal corporate tax rate from 35% to 21% for taxable years starting after December 31, 2017, requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were not previously subject to U.S. Federal income tax and creates new taxes on certain foreign sourced earnings.

The effective income tax rate of 38.9% in 2017 increased from 36.0% in 2016. The increase in rate reflects the $51 million tax expense related to the transition tax associated with foreign earnings and the revaluation of deferred tax assets and liabilities as required by the Tax Cuts and Jobs Act of 2017. Excluding this one-time tax expense, our adjusted 2017 income tax rate would have been 33.8%, which reflects a favorable mix of U.S. and foreign earnings, including Alliance Automotive Group acquired November 2, 2017.

The effective income tax rate of 36.0% in 2016 decreased from 37.2% in 2015. The decrease in rate primarily reflects the Company's lower mix of U.S. earnings in 2016, which is taxed at a higher rate relative to our foreign operations. Additionally, the more favorable retirement asset valuation adjustment in 2016 relative to 2015 resulted in the decrease in rate.

***Net Income***

Net income was $617 million in 2017, a decrease of 10.3% from $687 million in 2016. On a per share diluted basis, net income was $4.18 in 2017, down 8.9% compared to $4.59 in 2016. Net income was 3.8% of net sales in 2017 compared to 4.5% of net sales in 2016. Adjusted net income was $696 million in 2017, up 1.2% from 2016, and on a per share diluted basis, adjusted net income was $4.71, a 2.6% increase compared to $4.59 in in 2016. Adjusted net income and adjusted diluted net income per share exclude the impact of transaction related costs primarily related to the Company's acquisition of Alliance Automotive Group and the one-time transition tax associated with foreign earnings and the revaluation of deferred tax assets and liabilities as required by the Tax Cuts and Jobs Act of 2017.

Net income was $687 million in 2016, a decrease of 3% from $706 million in 2015. On a per share diluted basis, net income was $4.59 in 2016, down 1% compared to $4.63 in 2015. Net income was 4.5% of net sales in 2016 compared to 4.6% of net sales in 2015.

## FINANCIAL CONDITION

The Company's cash balance of $315 million at December 31, 2017 compares to cash of $243 million at December 31, 2016, as discussed further below. Accounts receivable at December 31, 2017 increased by approximately 25% from the prior year, and is up 3% excluding the AAG and other recent acquisitions as well as the impact of foreign currency. The 3% increase compares to an approximate 4.5% sales increase in the fourth quarter of 2017. We are satisfied with the quality and collectibility of our accounts receivable. Inventory at December 31, 2017 increased from the prior year by approximately 17%, and is relatively unchanged excluding the AAG and other recent acquisitions as well as the impact of foreign currency. Accounts payable increased 18% from the prior year, and is up 3% excluding the AAG and other recent acquisitions as well as the impact of foreign currency. The slight increase in accounts payable before these items reflects improved payment terms with certain suppliers offset by the decrease in purchases in the fourth quarter of the year.

## LIQUIDITY AND CAPITAL RESOURCES

The Company's sources of capital consist primarily of cash flows from operations, supplemented as necessary by private issuances of debt and bank borrowings. We have $3.25 billion of total debt outstanding at December 31, 2017, of which $50 million matures in July 2021, $250 million matures in December 2023, €225 million matures on October 30, 2024, $250 million matures in November 2026, €250 million matures on October 30, 2027, $120 million matures on October 30, 2027, €125 million matures on October 30, 2029 and €100 million matures on October 30, 2032. In addition, the Company has a multi-currency Syndicated Facility Agreement (the "Syndicated Facility") with a consortium of financial institutions. The Syndicated Facility includes a $1.5 billion multi-currency revolving credit facility and a $1.1 billion Term Loan A, of which the Revolving Credit Facility and Term Loan A have $590 million and $1.1 billion, respectively, outstanding at December 31, 2017. Currently, we believe that our cash on hand and available short-term and long-term sources of capital are sufficient to fund the Company's operations, including working capital requirements, scheduled debt payments, interest payments, capital expenditures, benefit plan contributions, income tax obligations, dividends, share repurchases and contemplated acquisitions.

The ratio of current assets to current liabilities was 1.3 to 1 and 1.4 to 1 at December 31, 2017 and 2016, respectively, and our liquidity position remains solid. The Company's total debt outstanding at December 31, 2017 increased by $2.4 billion or 270% from December 31, 2016, due primarily to the 15 acquisitions made in 2017.

### *Sources and Uses of Net Cash*

A summary of the Company's consolidated statements of cash flows is as follows:

| | Year Ended December 31, | | | Percent Change | |
|---|---|---|---|---|---|
| **Net Cash Provided by (Used in):** | **2017** | **2016** | **2015** | **2017 vs. 2016** | **2016 vs. 2015** |
| | | (In thousands) | | | |
| Operating activities | **$ 815,043** | $ 946,078 | $ 1,159,373 | (14)% | (18)% |
| Investing activities | **(1,630,280)** | (593,999) | (263,627) | 174 % | 125 % |
| Financing activities | **872,059** | (322,406) | (806,074) | 370 % | (60)% |

*Net Cash Provided by Operating Activities:*

The Company continues to generate cash, and in 2017, net cash provided by operating activities totaled $815 million. This reflects a $131 million or 14% decrease from 2016, and represents the lower source of cash from trade accounts receivable, merchandise inventories, trade accounts payable and other short term assets and liabilities, collectively, relative to 2016. Other changes in operating activities were essentially offsetting.

Net cash provided by operating activities was $946 million in 2016, an 18% decrease from 2015 due primarily to the change in trade accounts receivable, merchandise inventories, and trade accounts payable, which, collectively, net to a $123 million source of cash in 2016 compared to a $312 million source of cash in 2015.

*Net Cash Used in Investing Activities:*

Net cash flow used in investing activities was $1.63 billion in 2017 compared to $594 million in 2016, a $1.04 billion or 174% increase. Cash used for acquisitions of businesses and other investing activities in 2017 was $1.49 billion, or $1.03 billion more than in 2016. Primarily, this increase reflects the Company's purchase of Alliance Automotive Group. Capital expenditures of $157 million in 2017 compare to $161 million in 2016 and were within the range of our original estimate of $145 to $165 million for the year. We estimate that cash used for capital expenditures in 2018 will be approximately $200 to $220 million.

Net cash flow used in investing activities was $594 million in 2016 compared to $264 million in 2015, an increase of 125%. Cash used for acquisitions of businesses and other investing activities in 2016 was $462 million, or $299 million more than in 2015. Capital expenditures of $161 million in 2016 were $51 million more than in 2015, which was at the high end of our original estimate of $140 to $160 million for the year.

*Net Cash Provided by (Used in) Financing Activities:*

Net cash provided by financing activities in 2017 totaled $872 million, an increase of $1.19 billion or 370% from the $322 million used in financing activities in 2016. Primarily, the increase reflects additional borrowings associated with the Company's purchase of AAG. Cash used in financing activities in 2016 was down 60% from the $806 million used in 2015. For the three years presented, the Company's financing activities included the use of cash for dividends paid to shareholders and repurchases of the Company's common stock. The Company paid dividends to shareholders of $395 million, $387 million and $368 million during 2017, 2016 and 2015, respectively. The Company expects this trend of increasing dividends to continue in the foreseeable future. During 2017, 2016 and 2015, the Company repurchased $174 million, $181 million and $292 million, respectively, of the Company's common stock. We expect to remain active in our share repurchase program, but the amount and value of shares repurchased will vary. In 2016, net cash used in financing activities was partially offset by approximately $250 million in net proceeds from debt.

*Notes and Other Borrowings*

The Company maintains a $2.6 billion syndicated credit facility with a consortium of financial institutions, which matures in June 2022 with an option to decrease the borrowing capacity or terminate the Syndicated Facility with appropriate notice and bears interest at LIBOR plus a margin, which is based on the Company's debt to earnings before interest, tax, depreciation and amortization (EBITDA) ratio (2.69% at December 31, 2017). The Company also has the option to increase the borrowing capacity up to an additional $1 billion, as well as an option to decrease the borrowing capacity or terminate the facility with appropriate notice. At December 31, 2017, approximately $1.7 billion were outstanding under this line of credit. Due to the workers' compensation and insurance reserve requirements in certain states, the Company also had unused letters of credit of approximately $62 million and $65 million outstanding at December 31, 2017 and 2016, respectively.

At December 31, 2017, the Company had unsecured Senior Notes outstanding under financing arrangement as follows: $50 million series G senior unsecured notes, 2.39% fixed, due 2021; $250 million series F senior unsecured notes, 2.99% fixed, due 2023; €225 million series J senior unsecured notes, 1.4% fixed, maturing on October 30, 2024; $250 million series H senior unsecured notes, 2.99% fixed, due 2026; €250 million series K senior unsecured notes, 1.81% fixed, maturing on October 30, 2027; $120 million series I senior unsecured notes, 3.70% fixed, maturing on October 30, 2027; €125 million series L senior unsecured notes, 2.02% fixed, maturing on October 30, 2029; and €100 million series M senior unsecured notes, 2.32% fixed, maturing on October 30, 2032. These borrowings contain covenants related to a maximum debt to EBITDA ratio and certain limitations on additional borrowings. At December 31, 2017, the Company was in compliance with all such covenants. The weighted average interest rate on the Company's total outstanding borrowings was approximately 2.70% at December 31, 2017 and 2.39% at December 31, 2016. Total interest expense, net of interest income, for all borrowings was $38.7 million, $19.5 million and $20.4 million in 2017, 2016 and 2015, respectively.

***Contractual and Other Obligations***

The following table shows the Company's approximate obligations and commitments, including interest due on credit facilities, to make future payments under specified contractual obligations as of December 31, 2017:

*Contractual Obligations*

| | Payment Due by Period | | | | |
|---|---|---|---|---|---|
| | Total | Less Than 1 Year | 1-3 Years | 3-5 Years | Over 5 Years |
| | (In thousands) | | | | |
| Credit facilities | $ 3,522,700 | $ 681,800 | $ 266,100 | $ 974,200 | $ 1,600,600 |
| Operating leases | 1,140,000 | 299,200 | 406,900 | 196,300 | 237,600 |
| Total contractual cash obligations | $ 4,662,700 | $ 981,000 | $ 673,000 | $ 1,170,500 | $ 1,838,200 |

Due to the uncertainty of the timing of future cash flows associated with the Company's unrecognized tax benefits at December 31, 2017, the Company is unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authorities. Therefore, $17 million of unrecognized tax benefits and the provisional $37 million one-time transition tax estimate related to the Act have been excluded from the contractual obligations table above. Refer to Note 7 of the Consolidated Financial Statements for a discussion on income taxes.

Purchase orders or contracts for the purchase of inventory and other goods and services are not included in our estimates. We are not able to determine the aggregate amount of such purchase orders that represent contractual obligations, as purchase orders may represent authorizations to purchase rather than binding agreements. Our purchase orders are based on our current distribution needs and are fulfilled by our vendors within short time horizons. The Company does not have significant agreements for the purchase of inventory or other goods specifying minimum quantities or set prices that exceed our expected requirements.

The Company guarantees the borrowings of certain independently owned automotive parts stores (independents) and certain other affiliates in which the Company has a noncontrolling equity ownership interest (affiliates). The Company's maximum exposure to loss as a result of its involvement with these independents and affiliates is generally equal to the total borrowings subject to the Company's guarantee. To date, the Company has had no significant losses in connection with guarantees of independents' and affiliates' borrowings. The following table shows the Company's approximate commercial commitments as of December 31, 2017:

*Other Commercial Commitments*

| | | Amount of Commitment Expiration per Period | | | |
|---|---|---|---|---|---|
| | Total Amounts Committed | Less Than 1 Year | 1-3 Years | 3-5 Years | Over 5 Years |
| | | (In thousands) | | | |
| Line of credit | $ — | $ — | $ — | $ — | $ — |
| Standby letters of credit | 62,019 | 62,019 | — | — | — |
| Guaranteed borrowings of independents and affiliates | 616,710 | 220,364 | 390,144 | 6,202 | — |
| Total commercial commitments | $ 678,729 | $ 282,383 | $ 390,144 | $ 6,202 | $ — |

In addition, the Company sponsors defined benefit pension plans that may obligate us to make contributions to the plans from time to time. Contributions in 2017 were $53 million. We expect to make $47 million in cash contributions to our qualified defined benefit plans in 2018, and contributions required for 2018 and future years will depend on a number of unpredictable factors including the market performance of the plans' assets and future changes in interest rates that affect the actuarial measurement of the plans' obligations.

***Share Repurchases***

In 2017, the Company repurchased approximately 1.9 million shares and the Company had remaining authority to purchase approximately 17.4 million shares at December 31, 2017.

## CRITICAL ACCOUNTING POLICIES

***General***

Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of our consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, net sales and expenses and related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We describe in this section certain critical accounting policies that require us to make significant estimates, assumptions and judgments. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are uncertain at the time the estimate is made and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the consolidated financial statements. Management believes the following critical accounting policies reflect its most significant estimates and assumptions used in the preparation of the consolidated financial statements. For further information on the critical accounting policies, see Note 1 of the Consolidated Financial Statements.

*Inventories — Provisions for Slow Moving and Obsolescence*

The Company identifies slow moving or obsolete inventories and estimates appropriate provisions related thereto. Historically, these losses have not been significant as the vast majority of the Company's inventories are not highly susceptible

to obsolescence and are eligible for return under various vendor return programs. While the Company has no reason to believe its inventory return privileges will be discontinued in the future, its risk of loss associated with obsolete or slow moving inventories would increase if such were to occur.

*Allowance for Doubtful Accounts — Methodology*

The Company evaluates the collectability of trade accounts receivable based on a combination of factors. The Company estimates an allowance for doubtful accounts as a percentage of net sales based on historical bad debt experience and periodically adjusts this estimate when the Company becomes aware of a specific customer's inability to meet its financial obligations (e.g., bankruptcy filing) or as a result of changes in the overall aging of accounts receivable. While the Company has a large customer base that is geographically dispersed, a general economic downturn in any of the industry segments in which the Company operates could result in higher than expected defaults and, therefore, the need to revise estimates for bad debts. For the years ended December 31, 2017, 2016 and 2015, the Company recorded provisions for doubtful accounts of approximately $13.9 million, $11.5 million, and $12.4 million, respectively.

*Consideration Received from Vendors*

The Company may enter into agreements at the beginning of each year with many of its vendors that provide for inventory purchase incentives. Generally, the Company earns inventory purchase incentives upon achieving specified volume purchasing levels or other criteria. The Company accrues for the receipt of these incentives as part of its inventory cost based on cumulative purchases of inventory to date and projected inventory purchases through the end of the year. While management believes the Company will continue to receive consideration from vendors in 2018 and beyond, there can be no assurance that vendors will continue to provide comparable amounts of incentives in the future or that we will be able to achieve the specified volumes necessary to take advantage of such incentives.

*Impairment of Property, Plant and Equipment and Goodwill and Other Intangible Assets*

At least annually, the Company evaluates property, plant and equipment, goodwill and other intangible assets for potential impairment indicators. The Company's judgments regarding the existence of impairment indicators are based on market conditions and operational performance, among other factors. Future events could cause the Company to conclude that impairment indicators exist and that assets associated with a particular operation are impaired. Evaluating for impairment also requires the Company to estimate future operating results and cash flows which require judgment by management. Any resulting impairment loss could have a material adverse impact on the Company's financial condition and results of operations.

*Employee Benefit Plans*

The Company's benefit plan committees in the U.S. and Canada establish investment policies and strategies and regularly monitor the performance of the Company's pension plan assets. The plans in Europe are unfunded and therefore there are no plan assets. The pension plan investment strategy implemented by the Company's management is to achieve long-term objectives and invest the pension assets in accordance with the applicable pension legislation in the U.S. and Canada, as well as fiduciary standards. The long-term primary objectives for the pension plan funds are to provide for a reasonable amount of long-term growth of capital without undue exposure to risk, protect the assets from erosion of purchasing power and provide investment results that meet or exceed the pension plans' actuarially assumed long term rates of return. The Company's investment strategy with respect to pension plan assets is to generate a return in excess of the passive portfolio benchmark (47% S&P 500 Index, 5% Russell Mid Cap Index, 7% Russell 2000 Index, 5% MSCI EAFE Index, 5% DJ Global Moderate Index, 3% MSCI Emerging Market Net, and 28% BarCap U.S. Govt/Credit).

We make several critical assumptions in determining our pension plan assets and liabilities and related pension income. We believe the most critical of these assumptions are the expected rate of return on plan assets and the discount rate. Other assumptions we make relate to employee demographic factors such as rate of compensation increases, mortality rates, retirement patterns and turnover rates. Refer to Note 8 of the Consolidated Financial Statements for more information regarding these assumptions.

Based on the investment policy for the pension plans, as well as an asset study that was performed based on the Company's asset allocations and future expectations, the Company's expected rate of return on plan assets for measuring 2018 pension income is 7.20% for the plans. The asset study forecasted expected rates of return for the approximate duration of the Company's benefit obligations, using capital market data and historical relationships.

The discount rate is chosen as the rate at which pension obligations could be effectively settled and is based on capital market conditions as of the measurement date. We have matched the timing and duration of the expected cash flows of our pension obligations to a yield curve generated from a broad portfolio of high-quality fixed income debt instruments to select our discount rate. Based upon this cash flow matching analysis, we selected a weighted average discount rate for the plans of 3.70% at December 31, 2017.

Net periodic benefit income for our defined benefit pension plans was $12.6 million, $13.4 million, and $5.8 million for the years ended December 31, 2017, 2016 and 2015, respectively. The income associated with the pension plans in 2017, 2016 and 2015 reflects the impact of the hard freeze effective December 31, 2013. Refer to Note 8 of the Consolidated Financial Statements for more information regarding employee benefit plans.

*Business Combinations*

From time to time, the Company may enter into business combinations. The Company generally recognizes the identifiable assets acquired, the liabilities assumed, and any noncontrolling interests in an acquiree at their fair values as of the date of acquisition. The Company measures goodwill as the excess of consideration transferred, which the Company also measures at fair value, over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. The acquisition method of accounting requires the Company to make significant estimates and assumptions regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values of identifiable intangible assets, deferred tax asset valuation allowances, liabilities, including those related to debt, pensions and other postretirement plans, uncertain tax positions, contingent consideration and contingencies. This method also requires the Company to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If the Company is required to adjust provisional amounts that it has recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on the its financial condition and results of operations.

Significant estimates and assumptions in estimating the fair value of acquired customer relationships and other identifiable intangible assets include future cash flows that the Company expects to generate from the acquired assets. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, the Company could record impairment charges. In addition, the Company has estimated the economic lives of certain acquired assets and these lives are used to calculate depreciation and amortization expense. If the Company's estimates of the economic lives change, depreciation or amortization expenses could be increased or decreased, or the acquired asset could be impaired.

**QUARTERLY RESULTS OF OPERATIONS**

The following is a summary of the quarterly results of operations for the years ended December 31, 2017 and 2016:

| | Three Months Ended | | | |
|---|---|---|---|---|
| | March 31, | June 30, | Sept. 30, | Dec. 31, |
| | (In thousands except per share data) | | | |
| **2017** | | | | |
| Net sales | **$ 3,905,641** | **$ 4,100,178** | **$ 4,095,906** | **$ 4,207,076** |
| Gross profit | **1,155,721** | **1,239,712** | **1,226,890** | **1,284,075** |
| Net income | **160,160** | **189,972** | **158,442** | **108,183** |
| Earnings per share: | | | | |
| Basic | **1.08** | **1.29** | **1.08** | **0.74** |
| Diluted | **1.08** | **1.29** | **1.08** | **0.73** |
| 2016 | | | | |
| Net sales | $ 3,718,267 | $ 3,899,638 | $ 3,941,743 | $ 3,780,065 |
| Gross profit | 1,104,471 | 1,165,452 | 1,198,601 | 1,131,083 |
| Net income | 158,025 | 191,369 | 185,326 | 152,520 |
| Earnings per share: | | | | |
| Basic | 1.06 | 1.28 | 1.24 | 1.03 |
| Diluted | 1.05 | 1.28 | 1.24 | 1.02 |

We recorded the quarterly earnings per share amounts as if each quarter was a discrete period. As a result, the sum of the basic and diluted earnings per share will not necessarily total the annual basic and diluted earnings per share.

The preparation of interim consolidated financial statements requires management to make estimates and assumptions for the amounts reported in the interim condensed consolidated financial statements. Specifically, the Company makes estimates

and assumptions in its interim condensed consolidated financial statements for inventory adjustments, the accrual of bad debts, the accrual of insurance reserves, customer sales returns and volume incentives earned, among others. Inventory adjustments (including adjustments for a majority of inventories that are valued under the last-in, first-out (LIFO) method) are accrued on an interim basis and adjusted in the fourth quarter based on the annual book to physical inventory adjustment and LIFO valuation, which is performed each year-end. Reserves for bad debts, insurance and customer sales returns are estimated and accrued on an interim basis based upon historical experience. Volume incentives are estimated based upon cumulative and projected purchasing levels. Income taxes are estimated on an interim basis to reflect the impact of tax reform assumptions and other considerations. The estimates and assumptions for interim reporting may change upon final determination at year-end, and such changes may be significant. The effect of these adjustments in 2017 and 2016 was not significant.

## ITEM 7A. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.*

Although the Company does not face material risks related to interest rates and commodity prices, the Company is exposed to changes in foreign currency rates with respect to foreign currency denominated operating revenues and expenses.

### Foreign Currency

The Company has translation gains or losses that result from translation of the results of operations of an operating unit's foreign functional currency into U.S. dollars for consolidated financial statement purposes. For the periods presented, the Company's principal foreign currency exchange exposure is the Canadian dollar, the functional currency of our Canadian operations, the Australian dollar, the functional currency of our Australasian operations and, to a lesser extent, the Mexican peso, the functional currency of our Mexican operations. Effective in November 2017, the Company increased its foreign currency exchange exposure to include the Euro, the functional currency of our European operations. Foreign currency exchange exposure, particularly in regard to the Canadian and Australian dollar and, to a lesser extent, the Euro and Mexican peso, positively impacted our results for the year ended December 31, 2017.

During 2017 and 2016, it was estimated that a 10% shift in exchange rates between those foreign functional currencies and the U.S. dollar would have impacted translated net sales by approximately $287 million and $262 million, respectively. A 15% shift in exchange rates between those functional currencies and the U.S. dollar would have impacted translated net sales by approximately $430 million in 2017 and $393 million in 2016. A 20% shift in exchange rates between those functional currencies and the U.S. dollar would have impacted translated net sales by approximately $574 million in 2017 and $524 million in 2016.

## ITEM 8. *FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.*

The information required by this Item 8 is set forth in a separate section of this report. See "Index to Consolidated Financial Statements and Financial Statement Schedules" beginning on page F-1.

## ITEM 9. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.*

Not applicable.

## ITEM 9A. *CONTROLS AND PROCEDURES.*

### Management's conclusion regarding the effectiveness of disclosure controls and procedures

As of the end of the period covered by this report, an evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the Company's disclosure controls and procedures, as such term is defined in SEC Rule 13a-15(e). Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were effective, as of the end of the period covered by this report, to provide reasonable assurance that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

### Management's report on internal control over financial reporting

A report of management's assessment of our internal control over financial reporting, as such term is defined in SEC Rule 13a-15(f), as of December 31, 2017 is set forth in a separate section of this report. See "Index to Consolidated Financial Statements and Financial Statement Schedules" beginning on page F-1.

The attestation report called for by Item 308(b) of Regulation S-K is incorporated herein by reference to the "Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting", which is set forth in a separate section of this report. See "Index to Consolidated Financial Statements and Financial Statement Schedules" beginning on page F-1.

**Changes in internal control over financial reporting**

There have been no changes in the Company's internal control over financial reporting during the Company's fourth fiscal quarter ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**ITEM 9B.** ***OTHER INFORMATION.***

Not applicable.

## PART III.

**ITEM 10.** ***DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.***

**EXECUTIVE OFFICERS OF THE COMPANY.**

Executive officers of the Company are elected by the Board of Directors and each serves at the pleasure of the Board of Directors until his or her successor has been elected and qualified, or until his or her earlier death, resignation, removal, retirement or disqualification. The current executive officers of the Company are:

*Thomas C. Gallagher,* age 70, retired as an employee of the Company on June 30, 2017. He continues to serve as Chairman of the Board. Previously, Mr. Gallagher served as Executive Chairman since May of 2016 and was Chief Executive Officer from August 2004 to April 2016 and has been Chairman of the Board since February 2005. Mr. Gallagher served as President of the Company from 1990 until January 2012 and Chief Operating Officer of the Company from 1990 until August 2004.

*Paul D. Donahue*, age 61, was appointed Chief Executive Officer of the Company in May 2016. Mr. Donahue has been President of the Company since January 2012 and a director of the Company since April 2012. Previously, Mr. Donahue served as President of the Company's U.S. Automotive Parts Group from July 2009 to February 1, 2016. Mr. Donahue served as Executive Vice President of the Company from August 2007 until his appointment as President in 2012. Previously, Mr. Donahue was President and Chief Operating Officer of S.P. Richards Company from 2004 to 2007 and was Executive Vice President-Sales and Marketing in 2003, the year he joined the Company.

*Carol B. Yancey*, age 54, has been Executive Vice President and Chief Financial Officer of the Company since March 2013, and also held the additional title of Corporate Secretary of the Company up to February 2015. Ms. Yancey was Senior Vice President — Finance and Corporate Secretary from 2005 until her appointment as Executive Vice President — Finance in November 2012. Previously, Ms. Yancey was named Vice President of the Company in 1999 and Corporate Secretary in 1995.

*Timothy P. Breen*, age 57, was appointed President and Chief Executive Officer of Motion Industries in November 2014. Mr. Breen was President and Chief Operating Officer from 2013 until his appointment as President and Chief Executive Officer. Previously, Mr. Breen was the Executive Vice President and Chief Operating Officer from 2012 to 2013. Mr. Breen was the Senior Vice President of Motion's U.S. Operations from 2011 to 2012 and was Senior Vice President and Group Executive from 2008 to 2011. Mr. Breen served as Vice President of Motion Industries from 2000 to 2008.

*Lee A. Maher*, age 62, was appointed President and Chief Operating Officer of the U.S. Automotive Parts Group in February 2016. Mr. Maher was Executive Vice President and Chief Operating Officer from 2013 until his appointment as President and Chief Operating Officer. Previously, Mr. Maher was the Executive Vice President from December 2009 to 2013. Mr. Maher served as Vice President of the U.S. Automotive Group's Midwest Division from 1998 to 2009.

*James R. Neill*, age 56, was appointed Senior Vice President of Human Resources of the Company in April 2014. Mr. Neill was Senior Vice President of Employee Development and HR Services from April 2013 until his appointment as Senior Vice President of Human Resources of the Company. Previously, Mr. Neill served as the Senior Vice President of Human Resources at Motion Industries from 2008 to 2013. Mr. Neill was Vice President of Human Resources at Motion from 2006 to 2007.

Further information required by this item is set forth under the heading "Nominees for Director", under the heading "Corporate Governance — Code of Conduct and Ethics", under the heading "Corporate Governance — Board Committees — Audit Committee", under the heading "Corporate Governance — Director Nominating Process" and under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" of the Proxy Statement and is incorporated herein by reference.

**ITEM 11.** ***EXECUTIVE COMPENSATION.***

Information required by this item is set forth under the headings "Executive Compensation", "Additional Information Regarding Executive Compensation", "2017 Grants of Plan-Based Awards", "2017 Outstanding Equity Awards at Fiscal Year-End", "2017 Option Exercises and Stock Vested", "2017 Pension Benefits", "2017 Nonqualified Deferred Compensation", "Post Termination Payments and Benefits", "Compensation, Nominating and Governance Committee Report", "Compensation, Nominating and Governance Committee Interlocks and Insider Participation" and "Compensation of Directors" of the Proxy Statement and is incorporated herein by reference.

**ITEM 12.** ***SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.***

Certain information required by this item is set forth below. Additional information required by this item is set forth under the headings "Security Ownership of Certain Beneficial Owners" and "Security Ownership of Management" of the Proxy Statement and is incorporated herein by reference.

**Equity Compensation Plan Information**

The following table gives information as of December 31, 2017 about the common stock that may be issued under all of the Company's existing equity compensation plans:

| Plan Category | (a) Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights(1) | | (b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights | (c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) | |
|---|---|---|---|---|---|
| Equity Compensation Plans Approved by Shareholders: | 2,579,696 | (2) | $ 75.17 | — | |
| | 1,619,932 | (3) | $ 94.76 | 8,367,665 | (5) |
| Equity Compensation Plans Not Approved by Shareholders: | 96,630 | (4) | n/a | 903,370 | |
| Total | 4,296,258 | | — | 9,271,035 | |

(1) Reflects the maximum number of shares issuable pursuant to the exercise or conversion of stock options, stock appreciation rights, restricted stock units and common stock equivalents. The actual number of shares issued upon exercise of stock appreciation rights is calculated based on the excess of fair market value of our common stock on date of exercise and the grant price of the stock appreciation rights.

(2) Genuine Parts Company 2006 Long-Term Incentive Plan

(3) Genuine Parts Company 2015 Incentive Plan

(4) Genuine Parts Company Directors' Deferred Compensation Plan, as amended

(5) All of these shares are available for issuance pursuant to grants of full-value stock awards.

**ITEM 13.** ***CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.***

Information required by this item is set forth under the headings "Corporate Governance — Independent Directors" and "Transactions with Related Persons" of the Proxy Statement and is incorporated herein by reference.

**ITEM 14.** ***PRINCIPAL ACCOUNTANT FEES AND SERVICES.***

Information required by this item is set forth under the heading "Proposal 3. Ratification of Selection of Independent Auditors" of the Proxy Statement and is incorporated herein by reference.

## PART IV.

**ITEM 15.** ***EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.***

(a) Documents filed as part of this report

(1) Financial Statements

The following consolidated financial statements of Genuine Parts Company and Subsidiaries are included in this Annual Report on Form 10-K. See, also, the Index to Consolidated Financial Statements on Page F-1.

Report of independent registered public accounting firm on internal control over financial reporting

Report of independent registered public accounting firm on the financial statements

Consolidated balance sheets — December 31, 2017 and 2016

Consolidated statements of income and comprehensive income — Years ended December 31, 2017, 2016 and 2015

Consolidated statements of equity — Years ended December 31, 2017, 2016 and 2015

Consolidated statements of cash flows — Years ended December 31, 2017, 2016 and 2015

Notes to consolidated financial statements — December 31, 2017

(2) Financial Statement Schedules

The following consolidated financial statement schedule of Genuine Parts Company and Subsidiaries, set forth immediately following the consolidated financial statements of Genuine Parts Company and Subsidiaries, is filed pursuant to Item 15(c):

Schedule II — Valuation and Qualifying Accounts

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are not applicable, and therefore have been omitted.

(3) Exhibits

The following exhibits are filed as part of or incorporated by reference in this report. Exhibits that are incorporated by reference to documents filed previously by the Company under the Securities Exchange Act of 1934, as amended, are filed with the Securities and Exchange Commission under File No. 1-5690. The Company will furnish a copy of any exhibit upon request to the Company's Corporate Secretary.

Instruments with respect to long-term debt where the total amount of securities authorized there under does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis have not been filed. The Registrant agrees to furnish to the Commission a copy of each such instrument upon request.

| | |
|---|---|
| Exhibit 2.1 | Genuine Parts Company Sale and Purchase Agreement relating to the Alliance Automotive Group by and between BCP Funds, AIG Managers, GPC Europe Acquisition Co. Limited and Genuine Parts Company dated September 22, 2017. (Incorporated herein by reference from the Company's Quarterly Report on Form 10-Q, dated October 26, 2017.) |
| Exhibit 3.1 | Amended and Restated Articles of Incorporation of the Company, as amended April 23, 2007. (Incorporated herein by reference from the Company's Current Report on Form 8-K, dated April 23, 2007.) |
| Exhibit 3.2 | By-Laws of the Company, as amended and restated November 18, 2013. (Incorporated herein by reference from the Company's Current Report on Form 8-K, dated November 18, 2013.) |
| Exhibit 4.2 | Specimen Common Stock Certificate. (Incorporated herein by reference from the Company's Registration Statement on Form S-1, Registration No. 33-63874.) |
| Exhibit 10.1* | The Genuine Parts Company Tax-Deferred Savings Plan, effective January 1, 1993. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 3, 1995.) |

| | |
|---|---|
| Exhibit 10.2* | Amendment No. 1 to the Genuine Parts Company Tax-Deferred Savings Plan, dated June 1, 1996, effective June 1, 1996. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 7, 2005.) |
| Exhibit 10.3* | Amendment No. 2 to the Genuine Parts Company Tax-Deferred Savings Plan, dated April 19, 1999, effective April 19, 1999. (Incorporated herein by reference from the Company's Annual Report on Form10-K, dated March 10, 2000.) |
| Exhibit 10.4* | Amendment No. 3 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 28, 2001, effective July 1, 2001. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 7, 2002.) |
| Exhibit 10.5* | Amendment No. 4 to the Genuine Parts Company Tax-Deferred Savings Plan, dated June 5, 2003, effective June 5, 2003. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 8, 2004.) |
| Exhibit 10.6* | Amendment No. 5 to the Genuine Parts Company Tax-Deferred Savings Plan, dated December 28, 2005, effective January 1, 2006. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 3, 2006.) |
| Exhibit 10.7* | Amendment No. 6 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 28, 2007, effective January 1, 2008. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 29, 2008.) |
| Exhibit 10.8* | Amendment No. 7 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 16, 2010, effective January 1, 2011. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 25, 2011.) |
| Exhibit 10.9* | Amendment No. 8 to the Genuine Parts Company Tax-Deferred Savings Plan, dated December 7, 2012, effective December 7, 2012. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 26, 2013.) |
| Exhibit 10.10* | The Genuine Parts Company Original Deferred Compensation Plan, as amended and restated as of August 19, 1996. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 8, 2004.) |
| Exhibit 10.11* | Amendment to the Genuine Parts Company Original Deferred Compensation Plan, dated April 19, 1999, effective April 19, 1999. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 10, 2000.) |
| Exhibit 10.12* | Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 27, 2009.) |
| Exhibit 10.13* | Amendment No. 1 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated August 16, 2010, effective August 16, 2010. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 25, 2011.) |
| Exhibit 10.14* | Amendment No. 2 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated November 16, 2010, effective January 1, 2011. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 25, 2011.) |
| Exhibit 10.15* | Amendment No. 3 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated December 7, 2012, effective December 31, 2013. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 26, 2013.) |
| Exhibit 10.16* | Genuine Parts Company Directors' Deferred Compensation Plan, as amended and restated effective January 1, 2003, and executed November 11, 2003. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 8, 2004.) |

| | |
|---|---|
| Exhibit 10.17* | Amendment No. 1 to the Genuine Parts Company Directors' Deferred Compensation Plan, dated November 19, 2007, effective January 1, 2008. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 29, 2008.) |
| Exhibit 10.18* | Amendment No. 2 to the Genuine Parts Company Director's Deferred Compensation Plan, dated December 7, 2012, effective December 7, 2012. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 26, 2013.) |
| Exhibit 10.19* | Description of Director Compensation. (Incorporated herein by reference from the Company's Quarterly Report on Form 10-Q, dated May 7, 2014.) |
| Exhibit 10.20* | Genuine Parts Company 1999 Long-Term Incentive Plan, as amended and restated as of November 19, 2001. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated March 21, 2003.) |
| Exhibit 10.21* | Genuine Parts Company 2006 Long-Term Incentive Plan, effective April 17, 2006. (Incorporated herein by reference from the Company's Current Report on Form 8-K, dated April 18, 2006.) |
| Exhibit 10.22* | Amendment to the Genuine Parts Company 2006 Long-Term Incentive Plan, dated November 20, 2006, effective November 20, 2006. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 28, 2007.) |
| Exhibit 10.23* | Amendment No. 2 to the Genuine Parts Company 2006 Long-Term Incentive Plan, dated November 19, 2007, effective November 19, 2007. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 29, 2008.) |
| Exhibit 10.24* | Genuine Parts Company 2015 Incentive Plan, effective November 17, 2014. (Incorporated herein by reference from the Company's Current Report on Form 8-K, dated April 28, 2015.) |
| Exhibit 10.25* | Genuine Parts Company Performance Restricted Stock Unit Award Agreement. (Incorporated herein by reference from the Company's Quarterly Report on Form 10-Q, dated May 7, 2014.) |
| Exhibit 10.26* | Genuine Parts Company Restricted Stock Unit Award Agreement. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 29, 2008.) |
| Exhibit 10.27* | Genuine Parts Company Stock Appreciation Rights Agreement. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 26, 2013.) |
| Exhibit 10.28* | Form of Executive Officer Change in Control Agreement. (Incorporated herein by reference from the Company's Annual Report on Form 10-K, dated February 26, 2015) |
| Exhibit 10.29 | Genuine Parts Company 364-Day Bridge Credit Agreement dated September 22, 2017 by and among Genuine Parts Company, J.P. Morgan Chase Bank, N.A., as administrative agent, and the other Lender Parties. (Incorporated herein by reference from the Company's Quarterly Report on Form 10-Q, dated October 26, 2017.) |
| Exhibit 10.30 | Genuine Parts Company Amended and Restated Syndicated Facility Agreement dated October 30, 2017 by and among Genuine Parts Company, Bank of America, N.A., as administrative agent, and the other Lender Parties. |
| Exhibit 10.31 | Genuine Parts Company Note Purchase Agreement dated October 30, 2017 by and among Genuine Parts Company, J.P. Morgan Securities, LLC and Merill Lynch, Pierce, Fenner & Smith Incorporated, as agents, and the other Lender Parties. |

* Indicates management contracts and compensatory plans and arrangements.

| | |
|---|---|
| Exhibit 21 | Subsidiaries of the Company. |
| Exhibit 23 | Consent of Independent Registered Public Accounting Firm. |
| Exhibit 31.1 | Certification signed by Chief Executive Officer pursuant to SEC Rule 13a-14(a). |
| Exhibit 31.2 | Certification signed by Chief Financial Officer pursuant to SEC Rule 13a-14(a). |
| Exhibit 32.1 | Statement of Chief Executive Officer of Genuine Parts Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| Exhibit 32.2 | Statement of Chief Financial Officer of Genuine Parts Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| Exhibit 101 | Interactive data files pursuant to Rule 405 of Regulation S-T:<br>(i) the Consolidated Balance Sheets as of December 31, 2017 and 2016; (ii) the Consolidated Statements of Income and Comprehensive Income for the Years ended December 31, 2017, 2016 and 2015; (iii) the Consolidated Statements of Equity for the Years ended December 31, 2017, 2016 and 2015; (iv) the Consolidated Statements of Cash Flows for Years ended December 31, 2017, 2016 and 2015; (v) the Notes to the Consolidated Financial Statements, tagged as blocks of text; and (vi) Financial Statement Schedule II — Valuation and Qualifying Accounts. |

(b) Exhibits

See the response to Item 15(a)(3) above.

(c) Financial Statement Schedules

See the response to Item 15(a)(2) above.

**SIGNATURES.**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

**GENUINE PARTS COMPANY**

| | | | |
|---|---|---|---|
| **/s/ Paul D. Donahue** | 2/27/2018 | **/s/ Carol B. Yancey** | 2/27/2018 |
| **Paul D. Donahue** | (Date) | **Carol B. Yancey** | (Date) |
| President and Chief Executive Officer | | Executive Vice President and Chief Financial and Accounting Officer | |

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

| | |
|---|---|
| **/s/ Paul D. Donahue** | 2/19/2018 |
| **Paul D. Donahue** | (Date) |
| Director<br>President and Chief Executive Officer (Principal Executive Officer) | |

| | |
|---|---|
| **/s/ Carol B. Yancey** | 2/19/2018 |
| **Carol B. Yancey** | (Date) |
| Executive Vice President and Chief Financial and Accounting Officer (Principal Financial and Accounting Officer) | |

| | |
|---|---|
| **/s/ Thomas C. Gallagher** | 2/19/2018 |
| **Thomas C. Gallagher** | (Date) |
| Director and Executive Chairman | |

| | |
|---|---|
| **/s/ Elizabeth W. Camp** | 2/19/2018 |
| **Elizabeth W. Camp** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ Gary P. Fayard** | 2/19/2018 |
| **Gary P. Fayard** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ P. Russell Hardin** | 2/19/2018 |
| **P. Russell Hardin** | |
| Director | |

| | |
|---|---|
| **/s/ John R. Holder** | 2/19/2018 |
| **John R. Holder** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ Donna W. Hyland** | 2/19/2018 |
| **Donna W. Hyland** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ John D. Johns** | 2/19/2018 |
| **John D. Johns** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ Robert C. Loudermilk, Jr.** | 2/19/2018 |
| **Robert C. Loudermilk, Jr.** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ Wendy B. Needham** | 2/19/2018 |
| **Wendy B. Needham** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ Jerry W. Nix** | 2/19/2018 |
| **Jerry W. Nix** | (Date) |
| Director | |

| | |
|---|---|
| **/s/ E. Jenner Wood, III** | 2/19/2018 |
| **E. Jenner Wood, III** | (Date) |
| Director | |

**ANNUAL REPORT ON FORM 10-K**

**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE**

## Report of Management

**Genuine Parts Company**

**Management's Responsibility for the Financial Statements**

We have prepared the accompanying consolidated financial statements and related information included herein for the years ended December 31, 2017, 2016, and 2015. The opinion of Ernst & Young LLP, the Company's independent registered public accounting firm, on those consolidated financial statements is included herein. The primary responsibility for the integrity of the financial information included in this annual report rests with management. Such information was prepared in accordance with generally accepted accounting principles appropriate in the circumstances based on our best estimates and judgments and giving due consideration to materiality.

**Management's Report on Internal Control over Financial Reporting**

The management of Genuine Parts Company and its Subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934.

The Company's internal control system was designed to provide reasonable assurance to the Company's management and to the board of directors regarding the preparation and fair presentation of the Company's published consolidated financial statements. The Company's internal control over financial reporting includes those policies and procedures that:

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. On November 2, 2017, we acquired Alliance Automotive Group and have included their balances as of December 31, 2017 in our consolidated balance sheet and the results of two months of their operations in our consolidated statement of income and comprehensive income. As permitted by the Securities and Exchange Commission, we elected to exclude Alliance Automotive Group, which constituted approximately 24% of total assets as of December 31, 2017 and 2% and 1% of net sales and net income, respectively, for the year ended December 31, 2017, from our assessment of internal control over financial reporting as of December 31, 2017. Our integration of Alliance Automotive Group's systems and processes could cause changes to our internal controls over financial reporting in future periods.

The Company's management, including our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2017.

In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO) in "Internal Control-Integrated Framework." Based on this assessment, management concluded that, as of December 31, 2017, the Company's internal control over financial reporting was effective.

Ernst & Young LLP has issued an audit report on the Company's operating effectiveness of internal control over financial reporting as of December 31, 2017. This report appears on page F-4.

**Audit Committee Responsibility**

The Audit Committee of Genuine Parts Company's Board of Directors is responsible for reviewing and monitoring the Company's financial reports and accounting practices to ascertain that they are within acceptable limits of sound practice in such matters. The membership of the Committee consists of non-employee Directors. At periodic meetings, the Audit Committee discusses audit and financial reporting matters and the internal audit function with representatives of financial management and with representatives from Ernst & Young LLP.

/s/ Carol B. Yancey

CAROL B. YANCEY

Executive Vice President and Chief Financial Officer

February 27, 2018

## Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Genuine Parts Company and Subsidiaries

**Opinion on Internal Control over Financial Reporting**

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

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting section of the accompanying Report of Management, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Alliance Automotive Group, which is included in the 2017 consolidated financial statements of the Company and constituted 24% of total assets as of December 31, 2017 and 2% and 1% of net sales and net income, respectively, for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Alliance Automotive Group.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Genuine Parts Company and Subsidiaries as of December 31, 2017 and 2016, the related consolidated statements of income and comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and financial statement schedule listed in the Index at Item 15(a) of the Company and our report dated February 27, 2018 expressed an unqualified opinion thereon.

**Basis of Opinion**

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

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

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

**Definition and Limitations of Internal Control Over Financial Reporting**

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

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

/s/ Ernst & Young LLP

Atlanta, Georgia
February 27, 2018

## Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Genuine Parts Company and Subsidiaries

**Opinion on the Financial Statements**

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

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 27, 2018 expressed an unqualified opinion thereon.

**Basis for Opinion**

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

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

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1948.

Atlanta, Georgia
February 27, 2018

**Genuine Parts Company and Subsidiaries**

**Consolidated Balance Sheets**

| | December 31 | |
|---|---|---|
| | 2017 | 2016 |
| | (In Thousands, Except Share Data and per Share Amounts) | |
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | **$ 314,899** | $ 242,879 |
| Trade accounts receivable, net | **2,421,563** | 1,938,562 |
| Merchandise inventories, net | **3,771,089** | 3,210,320 |
| Prepaid expenses and other current assets | **805,342** | 556,670 |
| Total current assets | **7,312,893** | 5,948,431 |
| Goodwill | **2,153,988** | 956,153 |
| Other intangible assets, less accumulated amortization | **1,400,392** | 618,510 |
| Deferred tax assets | **40,158** | 132,652 |
| Other assets | **568,248** | 475,530 |
| Property, plant, and equipment: | | |
| Land | **104,049** | 92,046 |
| Buildings, less accumulated depreciation (2017- $317,777; 2016 - $292,049) | **371,612** | 314,268 |
| Machinery and equipment, less accumulated depreciation (2017-$726,576; 2016-$668,950) | **461,041** | 321,810 |
| Net property, plant, and equipment | **936,702** | 728,124 |
| | **$ 12,412,381** | $ 8,859,400 |
| **Liabilities and equity** | | |
| Current liabilities: | | |
| Trade accounts payable | **$ 3,634,859** | $ 3,081,111 |
| Current portion of debt | **694,989** | 325,000 |
| Accrued compensation | **198,048** | 142,942 |
| Other current liabilities | **847,129** | 597,513 |
| Dividends payable | **99,000** | 97,584 |
| Total current liabilities | **5,474,025** | 4,244,150 |
| Long-term debt | **2,550,020** | 550,000 |
| Pension and other post-retirement benefit liabilities | **229,868** | 341,510 |
| Deferred tax liabilities | **193,308** | 48,326 |
| Other long-term liabilities | **501,004** | 468,058 |
| Equity: | | |
| Preferred stock, par value $1 per share — authorized 10,000,000 shares; none issued | **—** | — |
| Common stock, par value $1 per share - authorized 450,000,000 shares; issued and outstanding - 2017 - 146,652,615 shares and 2016 - 148,410,422 shares | **146,653** | 148,410 |
| Additional paid-in capital | **68,126** | 56,605 |
| Accumulated other comprehensive loss | **(852,592)** | (1,013,021) |
| Retained earnings | **4,049,965** | 4,001,734 |
| Total parent equity | **3,412,152** | 3,193,728 |
| Noncontrolling interests in subsidiaries | **52,004** | 13,628 |
| Total equity | **3,464,156** | 3,207,356 |
| | **$ 12,412,381** | $ 8,859,400 |

See accompanying notes.

**Genuine Parts Company and Subsidiaries**

**Consolidated Statements of Income and Comprehensive Income**

| | Year Ended December 31 | | |
|---|---|---|---|
| | **2017** | **2016** | **2015** |
| | **(In Thousands, Except per Share Amounts)** | | |
| Net sales | **$ 16,308,801** | $ 15,339,713 | $ 15,280,044 |
| Cost of goods sold | **11,402,403** | 10,740,106 | 10,724,192 |
| Gross margin | **4,906,398** | 4,599,607 | 4,555,852 |
| Operating expenses: | | | |
| Selling, administrative, and other expenses | **3,705,136** | 3,370,833 | 3,277,390 |
| Depreciation and amortization | **167,691** | 147,487 | 141,675 |
| Provision for doubtful accounts | **13,932** | 11,515 | 12,373 |
| Total operating expenses | **3,886,759** | 3,529,835 | 3,431,438 |
| Non-operating expenses (income) : | | | |
| Interest expense | **41,486** | 21,084 | 21,662 |
| Other | **(31,115)** | (25,652) | (20,929) |
| Total non-operating expenses (income) | **10,371** | (4,568) | 733 |
| Income before income taxes | **1,009,268** | 1,074,340 | 1,123,681 |
| Income taxes | **392,511** | 387,100 | 418,009 |
| Net income | **$ 616,757** | $ 687,240 | $ 705,672 |
| Basic net income per common share | **$ 4.19** | $ 4.61 | $ 4.65 |
| Diluted net income per common share | **$ 4.18** | $ 4.59 | $ 4.63 |
| Weighted average common shares outstanding | **147,140** | 149,051 | 151,667 |
| Dilutive effect of stock options and nonvested restricted stock awards | **561** | 753 | 829 |
| Weighted average common shares outstanding — assuming dilution | **147,701** | 149,804 | 152,496 |
| | | | |
| Net income | **$ 616,757** | $ 687,240 | $ 705,672 |
| Other comprehensive income (loss), net of tax: | | | |
| Foreign currency translation adjustment | **137,694** | (8,957) | (207,986) |
| Net investment hedge, net of income taxes of 2017 — $9,711 | **(17,388)** | — | — |
| Pension and postretirement benefit adjustments, net of income taxes of 2017 — ($20,539); 2016 — $50,144; 2015 — $5,335 | **40,123** | (73,446) | (2,421) |
| Other comprehensive income (loss), net of tax | **160,429** | (82,403) | (210,407) |
| Comprehensive income | **$ 777,186** | $ 604,837 | $ 495,265 |

See accompanying notes.

**Genuine Parts Company and Subsidiaries**

**Consolidated Statements of Equity**
**(In Thousands, Except Share and per Share Amounts)**

| | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive Loss | Retained Earnings | Total Parent Equity | Non-controlling Interests in Subsidiaries | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | | | | |
| Balance at January 1, 2015 | 153,113,042 | $ 153,113 | $ 26,414 | $ (720,211) | $ 3,841,932 | $ 3,301,248 | $ 11,116 | $ 3,312,364 |
| Net income | — | — | — | — | 705,672 | 705,672 | — | 705,672 |
| Other comprehensive loss, net of tax | — | — | — | (210,407) | — | (210,407) | — | (210,407) |
| Cash dividends declared, $2.46 per share | — | — | — | — | (372,840) | (372,840) | — | (372,840) |
| Share-based awards exercised, including tax benefit of $7,024 | 229,958 | 230 | (2,778) | — | — | (2,548) | — | (2,548) |
| Share-based compensation | — | — | 17,717 | — | — | 17,717 | — | 17,717 |
| Purchase of stock | (3,261,526) | (3,262) | — | — | (289,013) | (292,275) | — | (292,275) |
| Noncontrolling interest activities | — | — | — | — | — | — | 1,559 | 1,559 |
| Balance at December 31, 2015 | 150,081,474 | 150,081 | 41,353 | (930,618) | 3,885,751 | 3,146,567 | 12,675 | 3,159,242 |
| Net income | — | — | — | — | 687,240 | 687,240 | — | 687,240 |
| Other comprehensive loss, net of tax | — | — | — | (82,403) | — | (82,403) | — | (82,403) |
| Cash dividends declared, $2.63 per share | — | — | — | — | (391,852) | (391,852) | — | (391,852) |
| Share-based awards exercised, including tax benefit of $12,021 | 340,703 | 341 | (4,467) | — | — | (4,126) | — | (4,126) |
| Share-based compensation | — | — | 19,719 | — | — | 19,719 | — | 19,719 |
| Purchase of stock | (2,011,755) | (2,012) | — | — | (179,405) | (181,417) | — | (181,417) |
| Noncontrolling interest activities | — | — | — | — | — | — | 953 | 953 |
| Balance at December 31, 2016 | 148,410,422 | 148,410 | 56,605 | (1,013,021) | 4,001,734 | 3,193,728 | 13,628 | 3,207,356 |
| Net income | — | — | — | — | **616,757** | **616,757** | — | **616,757** |
| Other comprehensive income, net of tax | — | — | — | **160,429** | — | **160,429** | — | **160,429** |
| Cash dividends declared, $2.70 per share | — | — | — | — | **(396,891)** | **(396,891)** | — | **(396,891)** |
| Share-based awards exercised, including tax benefit of $3,134 | **131,232** | **132** | **(5,371)** | — | — | **(5,239)** | — | **(5,239)** |
| Share-based compensation | — | — | **16,892** | — | — | **16,892** | — | **16,892** |
| Purchase of stock | **(1,889,039)** | **(1,889)** | — | — | **(171,635)** | **(173,524)** | — | **(173,524)** |
| Noncontrolling interest activities | — | — | — | — | — | — | **38,376** | **38,376** |
| Balance at December 31, 2017 | **146,652,615** | **$ 146,653** | **$ 68,126** | **$ (852,592)** | **$ 4,049,965** | **$ 3,412,152** | **$ 52,004** | **$ 3,464,156** |

See accompanying notes.

**Genuine Parts Company and Subsidiaries**

**Consolidated Statements of Cash Flows**

| | Year Ended December 31 | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| | (In Thousands) | | |
| **Operating activities** | | | |
| Net income | **$ 616,757** | $ 687,240 | $ 705,672 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | **167,691** | 147,487 | 141,675 |
| Excess tax benefits from share-based compensation | **(3,134)** | (12,021) | (7,024) |
| Gain on sale of property, plant, and equipment | **(3,989)** | (15,237) | (3,189) |
| Deferred income taxes | **65,990** | 33,226 | 35,544 |
| Share-based compensation | **16,892** | 19,719 | 17,717 |
| Foreign exchange gain | **(14,051)** | — | — |
| Changes in operating assets and liabilities: | | | |
| Trade accounts receivable, net | **(19,273)** | (53,544) | 1,974 |
| Merchandise inventories, net | **(9,923)** | (64,214) | (21,821) |
| Trade accounts payable | **61,474** | 240,717 | 331,419 |
| Other short-term assets and liabilities | **(1,544)** | 37,271 | 967 |
| Other long-term assets and liabilities | **(61,847)** | (74,566) | (43,561) |
| | **198,286** | 258,838 | 453,701 |
| Net cash provided by operating activities | **815,043** | 946,078 | 1,159,373 |
| **Investing activities** | | | |
| Purchases of property, plant and equipment | **(156,760)** | (160,643) | (109,544) |
| Proceeds from sale of property, plant, and equipment | **21,275** | 28,811 | 8,618 |
| Acquisition of businesses and other investing activities | **(1,494,795)** | (462,167) | (162,701) |
| Net cash used in investing activities | **(1,630,280)** | (593,999) | (263,627) |
| **Financing activities** | | | |
| Proceeds from debt | **6,630,294** | 4,350,000 | 3,862,224 |
| Payments on debt | **(4,350,222)** | (4,100,000) | (4,005,191) |
| Payments on acquired debt | **(833,775)** | — | — |
| Share-based awards exercised, net of taxes paid | **(5,239)** | (16,147) | (9,572) |
| Excess tax benefits from share-based compensation | **—** | 12,021 | 7,024 |
| Dividends paid | **(395,475)** | (386,863) | (368,284) |
| Purchase of stock | **(173,524)** | (181,417) | (292,275) |
| Net cash provided by (used in) financing activities | **872,059** | (322,406) | (806,074) |
| Effect of exchange rate changes on cash | **15,198** | 1,575 | (15,771) |
| Net increase in cash and cash equivalents | **72,020** | 31,248 | 73,901 |
| Cash and cash equivalents at beginning of year | **242,879** | 211,631 | 137,730 |
| Cash and cash equivalents at end of year | **$ 314,899** | $ 242,879 | $ 211,631 |
| | | | |
| **Supplemental disclosures of cash flow information** | | | |
| Cash paid during the year for: | | | |
| Income taxes | **$ 298,827** | $ 374,865 | $ 352,153 |
| Interest | **$ 38,401** | $ 19,043 | $ 23,687 |

See accompanying notes.

**Genuine Parts Company and Subsidiaries**

**Notes to Consolidated Financial Statements**

**December 31, 2017**

## 1. Summary of Significant Accounting Policies

***Business***

Genuine Parts Company and all of its majority-owned subsidiaries (the Company) is a distributor of automotive replacement parts, industrial parts and materials and business products. The Company serves a diverse customer base through approximately 3,100 locations in North America, Australasia and Europe and, therefore, has limited exposure from credit losses to any particular customer, region, or industry segment. The Company performs periodic credit evaluations of its customers' financial condition and generally does not require collateral. The Company has evaluated subsequent events through the date the financial statements were issued.

***Principles of Consolidation***

The consolidated financial statements include all of the accounts of the Company. The net income attributable to noncontrolling interests is not material to the Company's consolidated net income. Intercompany accounts and transactions have been eliminated in consolidation.

***Use of Estimates***

The preparation of the consolidated financial statements, in conformity with U.S. generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results may differ from those estimates and the differences could be material.

***Revenue Recognition***

The Company records revenue when the following criteria are met: persuasive evidence of an arrangement exists, delivery has occurred, the Company's price to the customer is fixed and determinable and collectability is reasonably assured. Delivery is not considered to have occurred until the customer assumes the risks and rewards of ownership.

***Foreign Currency Translation***

The consolidated balance sheets and statements of income and comprehensive income of the Company's foreign subsidiaries have been translated into U.S. dollars at the current and average exchange rates, respectively. The foreign currency translation adjustment is included as a component of accumulated other comprehensive loss.

***Cash and Cash Equivalents***

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

***Trade Accounts Receivable and the Allowance for Doubtful Accounts***

The Company evaluates the collectability of trade accounts receivable based on a combination of factors. The Company estimates an allowance for doubtful accounts as a percentage of net sales based on historical bad debt experience and periodically adjusts this estimate when the Company becomes aware of a specific customer's inability to meet its financial obligations (e.g., bankruptcy filing) or as a result of changes in the overall aging of accounts receivable. While the Company has a large customer base that is geographically dispersed, a general economic downturn in any of the industry segments in which the Company operates could result in higher than expected defaults and, therefore, the need to revise estimates for bad debts. For the years ended December 31, 2017, 2016, and 2015, the Company recorded provisions for doubtful accounts of approximately $13,932,000, $11,515,000, and $12,373,000, respectively. At December 31, 2017 and 2016, the allowance for doubtful accounts was approximately $17,612,000 and $15,557,000, respectively.

***Merchandise Inventories, Including Consideration Received From Vendors***

Merchandise inventories are valued at the lower of cost or market. Cost is determined by the last-in, first-out (LIFO) method for a majority of U.S. automotive parts, electrical/electronic materials, and industrial parts, and by the first-in, first-out (FIFO) method for business products and certain non-U.S. and other inventories. If the FIFO method had been used for all inventories, cost would have been approximately $440,550,000 and $426,760,000 higher than reported at December 31, 2017 and 2016, respectively. During 2017 and 2016, reductions in industrial parts inventories resulted in liquidations of LIFO inventory layers. The effects of the LIFO liquidations in 2017 and 2016 reduced cost of goods sold by approximately $2,000,000 and $6,000,000, respectively. There were no LIFO liquidations in 2015.

The Company identifies slow moving or obsolete inventories and estimates appropriate provisions related thereto. Historically, these losses have not been significant as the vast majority of the Company's inventories are not highly susceptible to obsolescence and are eligible for return under various vendor return programs. While the Company has no reason to believe its inventory return privileges will be discontinued in the future, its risk of loss associated with obsolete or slow moving inventories would increase if such were to occur.

The Company enters into agreements at the beginning of each year with many of its vendors that provide for inventory purchase incentives. Generally, the Company earns inventory purchase incentives upon achieving specified volume purchasing levels or other criteria. The Company accrues for the receipt of these incentives as part of its inventory cost based on cumulative purchases of inventory to date and projected inventory purchases through the end of the year. While management believes the Company will continue to receive consideration from vendors in 2018 and beyond, there can be no assurance that vendors will continue to provide comparable amounts of incentives in the future.

***Prepaid Expenses and Other Current Assets***

Prepaid expenses and other current assets consist primarily of prepaid expenses, amounts due from vendors, and income taxes receivable.

***Goodwill***

The Company reviews its goodwill annually in the fourth quarter, or sooner if circumstances indicate that the carrying amount may exceed fair value. The Company tests goodwill for impairment at the reporting unit level, which is an operating segment or a level below an operating segment, which is referred to as a component. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and management regularly reviews the operating results of that component. However, two or more components of an operating segment are aggregated and deemed a single reporting unit if the components have similar economic characteristics.

A combination of qualitative assessments and present value of future cash flows approaches was used to determine any potential impairment. The Company determined that there were no indicators that goodwill was impaired and, therefore, no impairments were recognized for the years ended December 31, 2017, 2016, and 2015.

***Other Assets***

Other assets are comprised of the following:

| | December 31 | |
|---|---|---|
| | 2017 | 2016 |
| | (In Thousands) | |
| Retirement benefit assets | **$ 8,573** | $ 6,721 |
| Deferred compensation benefits | **30,084** | 29,222 |
| Inenco equity investment | **75,660** | — |
| Investments | **42,313** | 28,793 |
| Cash surrender value of life insurance policies | **117,952** | 106,251 |
| Customer sales returns inventories | **56,442** | 68,160 |
| Guarantees related to borrowings | **65,000** | 42,000 |
| Other long-term prepayments and receivables | **172,224** | 194,383 |
| Total other assets | **$ 568,248** | $ 475,530 |

The guarantees related to borrowings and the Inenco equity investment are discussed further in the guarantees footnote and the acquisitions and equity investments footnote, respectively.

***Property, Plant, and Equipment***

Property, plant, and equipment are stated at cost. Depreciation and amortization are primarily determined on a straight-line basis over the following estimated useful lives of each asset: buildings and improvements, 10 to 40 years; machinery and equipment, 5 to 15 years.

***Long-Lived Assets Other Than Goodwill***

The Company assesses its long-lived assets other than goodwill for impairment whenever facts and circumstances indicate that the carrying amount may not be fully recoverable. To analyze recoverability, the Company projects undiscounted net future cash flows over the remaining life of such assets. If these projected cash flows are less than the carrying amount, an impairment would be recognized, resulting in a write-down of assets with a corresponding charge to earnings. Impairment losses, if any, are measured based upon the difference between the carrying amount and the fair value of the assets.

***Other Long-Term Liabilities***

Other long-term liabilities are comprised of the following:

| | December 31 | |
|---|---|---|
| | 2017 | 2016 |
| | (In Thousands) | |
| Post-employment and other benefit/retirement liabilities | **$ 60,458** | $ 56,723 |
| Insurance liabilities | **44,181** | 37,608 |
| Other lease obligations | **55,693** | 39,221 |
| Other taxes payable | **47,724** | 16,997 |
| Customer deposits | **65,758** | 79,528 |
| Guarantees related to borrowings | **65,000** | 42,000 |
| Other | **162,190** | 195,981 |
| Total other long-term liabilities | **$ 501,004** | $ 468,058 |

The guarantees related to borrowings are discussed further in the guarantees footnote.

***Self-Insurance***

The Company is self-insured for the majority of group health insurance costs. A reserve for claims incurred but not reported is developed by analyzing historical claims data provided by the Company's claims administrators. These reserves are included in accrued expenses in the accompanying consolidated balance sheets as the expenses are expected to be paid within one year.

Long-term insurance liabilities consist primarily of reserves for the workers' compensation program. In addition, the Company carries various large risk deductible workers' compensation policies for the majority of workers' compensation liabilities. The Company records the workers' compensation reserves based on an analysis performed by an independent actuary. The analysis calculates development factors, which are applied to total reserves as provided by the various insurance companies who underwrite the program. While the Company believes that the assumptions used to calculate these liabilities are appropriate, significant differences in actual experience or significant changes in these assumptions may materially affect workers' compensation costs.

***Accumulated Other Comprehensive Loss***

Accumulated other comprehensive loss is comprised of the following:

| | December 31 | |
|---|---|---|
| | 2017 | 2016 |
| | (In Thousands) | |
| Foreign currency translation | **$ (266,247)** | $ (403,941) |
| Unrealized loss on net investment hedge, net of tax | **(17,388)** | — |
| Unrecognized net actuarial loss, net of tax | **(566,876)** | (611,333) |
| Unrecognized prior service (cost) credit, net of tax | **(2,081)** | 2,253 |
| Total accumulated other comprehensive loss | **$ (852,592)** | $ (1,013,021) |

The following table presents the changes in accumulated other comprehensive loss by component for the years ended on December 31, 2017 and 2016:

| | Changes in Accumulated Other Comprehensive Loss by Component | | | | |
|---|---|---|---|---|---|
| | Pension Benefits | Other Post-Retirement Benefits | Net Investment Hedge | Foreign Currency Translation | Total |
| | (In Thousands) | | | | |
| Beginning balance, January 1, 2016 | $ (534,215) | $ (1,419) | $ — | $ (394,984) | $ (930,618) |
| Other comprehensive (loss) income before reclassifications, net of tax | (92,758) | 15 | — | (8,957) | (101,700) |
| Amounts reclassified from accumulated other comprehensive loss, net of tax | 19,505 | (208) | — | — | 19,297 |
| Net current period other comprehensive loss | (73,253) | (193) | — | (8,957) | (82,403) |
| Ending balance, December 31, 2016 | (607,468) | (1,612) | — | (403,941) | (1,013,021) |
| Other comprehensive income (loss) before reclassifications, net of tax | **16,640** | **307** | **(17,388)** | **137,694** | **137,253** |
| Amounts reclassified from accumulated other comprehensive loss, net of tax | **23,385** | **(209)** | **—** | **—** | **23,176** |
| Net current period other comprehensive income (loss) | **40,025** | **98** | **(17,388)** | **137,694** | **160,429** |
| Ending balance, December 31, 2017 | **$ (567,443)** | **$ (1,514)** | **$ (17,388)** | **$ (266,247)** | **$ (852,592)** |

The accumulated other comprehensive loss components related to the pension benefits are included in the computation of net periodic benefit income in the employee benefit plans footnote.

***Business Combinations***

From time to time, the Company enters into business combinations. The Company recognizes the identifiable assets acquired, the liabilities assumed, and any noncontrolling interests in an acquiree at their fair values as of the date of acquisition. The Company measures goodwill as the excess of consideration transferred, which the Company also measures at fair value, over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. The acquisition method of accounting requires the Company to make significant estimates and assumptions regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values of identifiable intangible assets, deferred tax asset valuation allowances, liabilities including those related to debt, pensions and other postretirement plans, uncertain tax positions, contingent consideration and contingencies. This method also requires the Company to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If the Company is required to adjust provisional amounts that were recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on the Company's consolidated financial statements.

Significant estimates and assumptions in estimating the fair value of acquired customer relationships and other identifiable intangible assets include future cash flows that the Company expects to generate from the acquired assets. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, the Company could record impairment charges. In addition, the Company has estimated the economic lives of certain acquired assets and these lives are used to calculate depreciation and amortization expense. If the Company estimates the economic lives change, depreciation or amortization expenses could be increased or decreased, or the acquired asset could be impaired.

***Fair Value of Financial Instruments***

The carrying amounts reflected in the consolidated balance sheets for cash and cash equivalents, trade accounts receivable, trade accounts payable, and borrowings under the line of credit and term loan approximate their respective fair values based on the short-term nature of these instruments. At December 31, 2017 and 2016, the fair value of fixed rate debt was approximately $1,497,179,000 and $549,000,000, respectively. The fair value of fixed rate debt is designated as Level 2 in the fair value hierarchy (i.e., significant observable inputs) and is based primarily on the discounted value of future cash flows using current market interest rates offered for debt of similar credit risk and maturity. At December 31, 2017 and 2016, the carrying value of fixed rate debt, net of debt issuance costs, was $1,506,400,000 and $550,000,000, respectively, and is included in long-term debt in the consolidated balance sheets.

***Non-derivative Financial Instrument Designated as a Net Investment Hedge***

The Company designated euro-denominated debt, a non-derivative financial instrument, as a hedge against a portion of the Company's euro-denominated net investment in its European subsidiaries. Changes in the value of the euro-denominated debt attributable to the change in exchange rates at the end of each reporting period are expected to offset the foreign currency translation adjustments resulting from the euro-denominated net investment, and are reported as a component of accumulated other comprehensive loss on the Company's consolidated balance sheet. The net investment hedge is discussed further in the non-derivative financial instrument footnote.

***Shipping and Handling Costs***

Shipping and handling costs are classified as selling, administrative and other expenses in the accompanying consolidated statements of income and comprehensive income and totaled approximately $290,000,000, $230,000,000, and $240,000,000, for the years ended December 31, 2017, 2016, and 2015, respectively.

***Advertising Costs***

Advertising costs are expensed as incurred and totaled $64,700,000, $66,900,000, and $75,000,000 in the years ended December 31, 2017, 2016, and 2015, respectively.

***Accounting for Legal Costs***

The Company’s legal costs expected to be incurred in connection with loss contingencies are expensed as such costs are incurred.

***Share-Based Compensation***

The Company maintains various long-term incentive plans, which provide for the granting of stock options, stock appreciation rights (SARs), restricted stock, restricted stock units (RSUs), performance awards, dividend equivalents and other share-based awards. SARs represent a right to receive upon exercise an amount, payable in shares of common stock, equal to the excess, if any, of the fair market value of the Company’s common stock on the date of exercise over the base value of the grant. The terms of such SARs require net settlement in shares of common stock and do not provide for cash settlement. RSUs represent a contingent right to receive one share of the Company’s common stock at a future date. The majority of awards previously granted vest on a pro-rata basis for periods ranging from one to five years and are expensed accordingly on a straight-line basis. The Company issues new shares upon exercise or conversion of awards under these plans.

***Net Income per Common Share***

Basic net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during the year. The computation of diluted net income per common share includes the dilutive effect of stock options, stock appreciation rights and nonvested restricted stock awards options. Options to purchase approximately 1,920,000, 1,290,000, and 1,280,000 shares of common stock ranging from $85 — $100 per share were outstanding at December 31, 2017, 2016, and 2015, respectively. These options were excluded from the computation of diluted net income per common share because the options’ exercise prices were greater than the average market prices of common stock in each respective year.

***Recent Accounting Pronouncements***

Revenue from Contracts with Customers (Topic 606)

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* (*Topic 606*) ("ASU 2014-09"), which will create a single, comprehensive revenue recognition model for recognizing revenue from contracts with customers. The standard is effective for interim and annual reporting periods beginning after December 15, 2017. Accordingly, the Company will adopt this standard on January 1, 2018. The core principle of the new standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and more judgment and estimates are required within the revenue recognition process than are required under existing guidance, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation, among others. The Company has established a cross-functional implementation team to evaluate and implement the new standard related to the recognition of revenue from contracts with customers.

The Company plans to use the modified retrospective adoption method. As a result, a cumulative effect adjustment is required at January 1, 2018 and the Company will account for revenue under the new standard prospectively from such date. The Company primarily sells goods and recognizes revenue at point of sale or delivery and this will not change under the new standard. However, certain customer relationships have terms that include items considered variable consideration, primarily related to customer discounts which will require a change in recognition under the new standard. Upon adoption of Topic 606, the cumulative impact to the Company's retained earnings at January 1, 2018 is estimated to be approximately $8,000,000. Once finalized, this amount will be recorded as a reduction in retained earnings as a cumulative effect of adoption of a new accounting standard and a deferred revenue liability will be established and classified with accrued liabilities on the Company's consolidated balance sheet.

Leases (Topic 842)

In February 2016, the FASB issued ASU 2016-02, *Leases* (*Topic 842*) ("ASU 2016-02"), which requires an entity to recognize a right-of-use asset and a lease liability on the balance sheet for all leases, including operating leases, with a term greater than twelve months. Expanded disclosures with additional qualitative and quantitative information will also be required. This guidance is effective for interim and annual reporting periods beginning after December 15, 2018 and early adoption is permitted. The new standard must be adopted using a modified retrospective transition. The Company has established a cross-functional team to evaluate and implement the new standard. As disclosed in the leased properties footnote, the future minimum payments under noncancelable operating leases are approximately $1,140,000,000 and the Company believes the adoption of this standard will have a significant impact on the consolidated balance sheet.

Income Tax Reform

The Tax Cuts and Jobs Act (the Act) was enacted December 22, 2017. The Act reduces the U.S. federal corporate tax rate from 35% to 21% for taxable years starting after December 31, 2017, and requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were not previously subject to U.S. Federal income tax and creates new taxes on certain foreign sourced earnings. As of December 31, 2017, the Company has not completed the accounting for the tax effects of enactment of the Act; however, the Company has made a reasonable estimate of the effect of the Act on the existing deferred tax balances and of the one-time transition tax. As disclosed in the income taxes footnote, the items for which the Company was able to determine a reasonable estimate were recognized as a provisional tax expense of $50,986,000 for the period ended December 31, 2017, which is included as a component of income tax expense in the Company's consolidated statement of income and comprehensive income. In all cases, the Company will continue to make and refine the calculations as additional analysis is completed. Further, the Company's estimates may also be affected as regulations and additional guidance are made available.

In addition, the Act subjects a U.S. shareholder to tax on Global Intangible Low-Taxed Income (GILTI) earned by certain foreign subsidiaries. Given the complexity of the GILTI provisions, the Company is still evaluating the effects and has not yet determined the new accounting policy. The provision is not expected to have a material impact on the Company's consolidated financial statements or related disclosures.

Inventory (Topic 330)

In July 2015, the FASB issued ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory* ("ASU 2015-11"), which modifies existing requirements regarding measuring first-in, first-out and average cost inventory at the lower of cost or market. Under existing standards, the market amount requires consideration of replacement cost, net realizable value ("NRV"), and NRV less an approximately normal profit margin. ASU 2015-11 replaces market with NRV, defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This eliminates the need to determine and consider replacement cost or NRV less an approximately normal profit margin when measuring inventory. The Company adopted ASU 2015-11 on January 1, 2017 and it did not have a material impact to the Company's consolidated financial statements.

Compensation—Stock Compensation (Topic 718)

In March 2016, the FASB issued ASU 2016-09, *Compensation—Stock Compensation* (*Topic 718*): *Improvements to Employee Share-Based Payment Accounting* ("ASU 2016-09") that changes the accounting for certain aspects of share-based compensation to employees including forfeitures, employer tax withholding, and the financial statement presentation of excess tax benefits or expense. ASU 2016-09 also clarifies the statement of cash flows presentation for certain components of share-based compensation, which prospectively reclassifies cash flows from excess tax benefits of share-based compensation currently disclosed in financing activities to operating activities in the period of adoption. The guidance will increase income tax expense volatility, as well as the Company's cash flows from operations. In addition, the Company did not elect to change shares withheld for employment income tax purposes. The Company adopted ASU 2016-09 on January 1, 2017 on a prospective basis. The adoption of ASU 2016-09 did not have a material impact to the Company's consolidated financial statements or related disclosures.

Compensation-Retirement Benefits (Topic 715)

In March 2017, the FASB issued ASU 2017-07, *Compensation-Retirement Benefits (Topic 715)* ("ASU 2017-07"), which requires an entity to report the service cost component of net periodic benefit cost in the same line item as other compensation costs (selling, administrative and other expenses), and the remaining components in non-operating expense in the consolidated statement of income and comprehensive income. This standard is effective for interim and annual reporting periods beginning after December 15, 2017 and early adoption is permitted. The Company will adopt ASU 2017-07 on January 1, 2018 and it is not expected to have a material impact on the Company's consolidated financial statements or related disclosures.

**2. Goodwill and Other Intangible Assets**

The changes in the carrying amount of goodwill during the years ended December 31, 2017 and 2016 by reportable segment, as well as other identifiable intangible assets, are summarized as follows (in thousands):

| | Goodwill | | | | | |
|---|---|---|---|---|---|---|
| | Automotive | Industrial | Business Products | Electrical/ Electronic Materials | Total | Other Intangible Assets, Net |
| Balance as of January 1, 2016 | $ 555,003 | $ 136,079 | $ 56,499 | $ 93,001 | $ 840,582 | $ 521,213 |
| Additions | 56,518 | 36,267 | 25,609 | 901 | 119,295 | 139,982 |
| Amortization | — | — | — | — | — | (40,870) |
| Foreign currency translation | (3,963) | 247 | (8) | — | (3,724) | (1,815) |
| Balance as of December 31, 2016 | 607,558 | 172,593 | 82,100 | 93,902 | 956,153 | 618,510 |
| Additions | **1,089,767** | **17,921** | **—** | **21,498** | **1,129,186** | **796,544** |
| Amortization | **—** | **—** | **—** | **—** | **—** | **(51,993)** |
| Foreign currency translation | **68,183** | **577** | **(111)** | **—** | **68,649** | **37,331** |
| Balance as of December 31, 2017 | **$ 1,765,508** | **$ 191,091** | **$ 81,989** | **$ 115,400** | **$ 2,153,988** | **$ 1,400,392** |

The gross carrying amounts and accumulated amortization relating to other intangible assets at December 31, 2017 and 2016 is as follows (in thousands):

| | 2017 | | | 2016 | | |
|---|---|---|---|---|---|---|
| | Gross Carrying Amount | Accumulated Amortization | Net | Gross Carrying Amount | Accumulated Amortization | Net |
| Customer relationships | **$ 1,251,783** | **$ (199,741)** | **$ 1,052,042** | $ 603,966 | $ (150,350) | $ 453,616 |
| Trademarks | **369,512** | **(23,056)** | **346,456** | 180,416 | (16,154) | 164,262 |
| Non-competition agreements | **6,946** | **(5,052)** | **1,894** | 5,098 | (4,466) | 632 |
| | **$ 1,628,241** | **$ (227,849)** | **$ 1,400,392** | $ 789,480 | $ (170,970) | $ 618,510 |

Amortization expense for other intangible assets totaled $51,993,000, $40,870,000, and $34,878,000 for the years ended December 31, 2017, 2016, and 2015, respectively. Estimated other intangible assets amortization expense for the succeeding five years is as follows (in thousands):

| | |
|---|---|
| 2018 | $ 83,564 |
| 2019 | 83,137 |
| 2020 | 82,199 |
| 2021 | 82,044 |
| 2022 | 82,137 |
| | $ 413,081 |

Additions related to the AAG acquisition are discussed further in the acquisitions and equity investments footnote.

### 3. Credit Facilities

The principal amounts of the Company's borrowings subject to variable rates totaled approximately $1,690,000,000 and $325,000,000 at December 31, 2017 and 2016, respectively. The weighted average interest rate on the Company's outstanding borrowings was approximately 2.70% and 2.39% at December 31, 2017 and 2016, respectively.

On October 30, 2017, the Company entered into a multi-currency Syndicated Facility Agreement (the "Syndicated Facility") with a consortium of financial institutions. The Syndicated Facility amended the $1,200,000,000 unsecured Revolving Credit Facility dated September 11, 2012 that was scheduled to mature in September 2022. The Syndicated Facility is for $2,600,000,000 and expires October 30, 2022. The Syndicated Facility includes a $1,500,000,000 multi-currency revolving credit facility and a $1,100,000,000 Term Loan A, which requires quarterly principal payments. The Syndicated Facility interest rate is based on LIBOR plus a margin based on the Company's debt to earnings before interest, tax, depreciation and amortization (EBITDA) ratio (2.69% at December 31, 2017). The Syndicated Facility contains an uncommitted option to increase the borrowing capacity up to an additional $1,000,000,000, as well as an option to decrease the borrowing capacity or terminate the Syndicated Facility with appropriate notice. At December 31, 2017, the amounts outstanding under the Revolving Credit Facility and Term Loan A were $590,000,000 and $1,100,000,000, respectively.

In addition to the Syndicated Facility, the Company entered into five Senior Fixed Rate Notes with a number of investors. The Notes vary in maturity with €225,000,000 maturing on October 30, 2024, €250,000,000 maturing on October 30, 2027, $120,000,000 maturing on October 30, 2027, €125,000,000 maturing on October 30, 2029 and €100,000,000 maturing on October 30, 2032.

Effective December 31, 2017, the Company amended the existing private placement debt of $550,000,000 to align with the debt covenant arrangements held in all newly issued debt that was funded in October 2017. As a result of updating all debt to the same covenant (debt to EBITDA), the Company increased the fixed rate interest by .25% with the three debt holders.

Certain borrowings require the Company to comply with a financial covenant with respect to a maximum debt to EBITDA ratio. At December 31, 2017, the Company was in compliance with all such covenants. Due to the workers' compensation and insurance reserve requirements in certain states, the Company also had unused letters of credit of approximately $62,019,000 and $64,930,000 outstanding at December 31, 2017 and 2016, respectively.

**Genuine Parts Company and Subsidiaries**
**Notes to Consolidated Financial Statements — (Continued)**
**December 31, 2017**

Amounts outstanding under the Company's credit facilities, net of debt issuance cost, consist of the following:

| | December 31 | |
|---|---|---|
| | 2017 | 2016 |
| | (In Thousands) | |
| Unsecured Revolving Credit Facility, $1,500,000,000, LIBOR plus 1.375% variable | **$ 590,000** | $ 325,000 |
| Unsecured Term Loan A, $1,100,000,000, LIBOR plus 1.375% variable | **1,100,000** | — |
| Unsecured term notes: | | |
| July 29, 2016, Series G Senior Unsecured Notes, $50,000,000, 2.64% fixed, due July 29, 2021 | **50,000** | 50,000 |
| December 2, 2013, Series F Senior Unsecured Notes, $250,000,000, 3.24% fixed, due December 2, 2023 | **250,000** | 250,000 |
| October 30, 2017, Series J Senior Unsecured Notes, €225,000,000, 1.40% fixed, due October 30, 2024 | **269,955** | — |
| November 30, 2016, Series H Senior Unsecured Notes, $250,000,000, 3.24% fixed, due November 30, 2026 | **250,000** | 250,000 |
| October 30, 2017, Series K Senior Unsecured Notes, €250,000,000, 1.81% fixed, due October 30, 2027 | **299,950** | — |
| October 30, 2017, Series I Senior Unsecured Notes, $120,000,000, 3.70% fixed, due October 30, 2027 | **120,000** | — |
| October 30, 2017, Series L Senior Unsecured Notes, €125,000,000, 2.02% fixed, due October 30, 2029 | **149,975** | — |
| October 30, 2017, Series M Senior Unsecured Notes, €100,000,000, 2.32% fixed, due October 30, 2032 | **119,980** | — |
| Acquired debt includes German Unsecured Revolving Credit Facility, 2.85%, due June 30, 2019 | **49,990** | — |
| Total unsecured debt | **3,249,850** | 875,000 |
| Unamortized debt issuance costs | **(4,841)** | — |
| Total debt | **3,245,009** | 875,000 |
| Less debt due within one year | **694,989** | 325,000 |
| Long-term debt, excluding current portion | **$ 2,550,020** | $ 550,000 |

Approximate maturities under the Company's credit facilities, net of debt issuance costs, are as follows (in thousands):

| | |
|---|---|
| 2018, net of debt issuance costs of $633 | $ 694,356 |
| 2019 | 81,867 |
| 2020 | 109,366 |
| 2021 | 186,866 |
| 2022 | 714,366 |
| Thereafter | 1,458,188 |
| | $ 3,245,009 |

**4. Non-derivative Financial Instrument**

On November 2, 2017, in connection with the acquisition of Alliance Automotive Group, the Company designated euro-denominated debt as hedging instruments in a hedge of the net investment in certain European subsidiaries. The Company's risk management objective and strategy for this hedge is to mitigate a designated monetary amount of the Company's net investment in Euro functional currency subsidiaries.

As of December 31, 2017, the Company had designated €700,000,000 of the face value of Euro-denominated debt, a non-derivative financial instrument, as a hedge of the foreign currency exchange rate exposure of an equal amount to the Company's euro-denominated net investment in certain European subsidiaries. As of December 31, 2017, the euro-denominated debt has a total carrying value of $839,860,000, which is included in long-term debt in the Company's consolidated balance sheet. For the year ended December 31, 2017, the Company recorded a loss, net of tax, of approximately $17,388,000 in the net investment hedge section of the accumulated other comprehensive loss in the Company's consolidated balance sheet. No hedge ineffectiveness was recognized in income.

**5. Leased Properties**

Future minimum payments, by year and in the aggregate, under the noncancelable operating leases with initial or remaining terms of one year or more was approximately the following at December 31, 2017 (in thousands):

| | | |
|---|---|---|
| 2018 | $ | 299,200 |
| 2019 | | 234,500 |
| 2020 | | 172,400 |
| 2021 | | 114,700 |
| 2022 | | 81,600 |
| Thereafter | | 237,600 |
| Total minimum lease payments | $ | 1,140,000 |

Rental expense for operating leases was approximately $306,000,000, $278,000,000, and $254,000,000 for 2017, 2016, and 2015, respectively.

**6. Share-Based Compensation**

At December 31, 2017, total compensation cost related to nonvested awards not yet recognized was approximately $32,800,000. The weighted-average period over which this compensation cost is expected to be recognized is approximately three years. The aggregate intrinsic value for SARs and RSUs outstanding at December 31, 2017 and 2016 was approximately $95,400,000 and $104,200,000, respectively. The aggregate intrinsic value for SARs and RSUs vested totaled approximately $52,900,000 and $62,000,000 at December 31, 2017 and 2016, respectively. At December 31, 2017, the weighted-average contractual life for outstanding and exercisable SARs and RSUs was six and five years, respectively. Share-based compensation costs of $16,892,000, $19,719,000, and $17,717,000, were recorded for the years ended December 31, 2017, 2016, and 2015, respectively. The total income tax benefits recognized in the consolidated statements of income and comprehensive income for share-based compensation arrangements were approximately $4,600,000, $7,900,000, and $7,100,000 for 2017, 2016, and 2015, respectively. There have been no modifications to valuation methodologies or methods during the years ended December 31, 2017, 2016, or 2015.

For the years ended December 31, 2017, 2016, and 2015, the fair values for SARs granted were estimated using a Black-Scholes option pricing model with the following weighted-average assumptions, respectively: risk-free interest rate of 2.3%, 1.6%, and 2.0%; dividend yield of 2.8%, 2.7%, and 2.6%; annual historical volatility factor of the expected market price of the Company's common stock of 19% for each of the three years and an average expected life of approximately six years. The fair value of RSUs is based on the price of the Company's stock on the date of grant. The total fair value of shares vested during the years ended December 31, 2017, 2016, and 2015 were $15,500,000, $18,200,000, and $15,200,000, respectively.

A summary of the Company's share-based compensation activity and related information is as follows:

| | 2017 | |
|---|---|---|
| | Shares (1) | Weighted-Average Exercise Price (2) |
| | (In Thousands) | |
| Outstanding at beginning of year | 3,878 | $ 79 |
| Granted | 917 | 90 |
| Exercised | (348) | 61 |
| Forfeited | (247) | 92 |
| Outstanding at end of year (3) | 4,200 | $ 82 |
| Exercisable at end of year | 2,514 | $ 77 |
| Shares available for future grants | 8,368 | |

(1) Shares include Restricted Stock Units (RSUs).

(2) The weighted-average exercise price excludes RSUs.

(3) The exercise prices for SARs outstanding as of December 31, 2017 ranged from approximately $42 to $100. The weighted-average remaining contractual life of all SARs outstanding is approximately six years.

The weighted-average grant date fair value of SARs granted during the years 2017, 2016, and 2015 was $13.89, $13.52, and $13.53, respectively. The aggregate intrinsic value of SARs and RSUs exercised during the years ended December 31, 2017, 2016, and 2015 was $16,800,000, $48,200,000, and $30,100,000, respectively.

In 2017, the Company granted approximately 746,000 SARs and 171,000 RSUs. In 2016, the Company granted approximately 724,000 SARs and 170,000 RSUs. In 2015, the Company granted approximately 711,000 SARs and 176,000 RSUs.

A summary of the Company's nonvested share awards activity is as follows:

| Nonvested Share Awards (RSUs) | Shares | Weighted-Average Grant Date Fair Value |
|---|---|---|
| | (In Thousands) | |
| Nonvested at January 1, 2017 | 408 | $ 92 |
| Granted | 171 | 90 |
| Vested | (80) | 84 |
| Forfeited | (93) | 88 |
| Nonvested at December 31, 2017 | 406 | $ 91 |

Following the adoption of ASU 2016-09, for the year ended December 31, 2017, approximately $3,134,000 of excess tax benefits from share-based compensation were presented as an operating activity in the statement of cash flows. Prior to the adoption of ASU 2016-09, for the years ended December 31, 2016, and 2015 approximately $12,021,000, and $7,024,000, respectively, of excess tax benefits were classified as operating cash outflows and financing cash inflows.

## 7. Income Taxes

The Tax Cuts and Jobs Act was enacted December 22, 2017. The Act reduces the U.S. federal corporate tax rate from 35% to 21% for taxable years beginning after December 31, 2017, requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were not previously subject to U.S. Federal income tax and creates new taxes on certain foreign sourced earnings. As of December 31, 2017, the Company has not completed its accounting for the tax effects of enactment of the Act; however, in certain cases, as described below, the Company has made a reasonable estimate of the effect of the Act regarding existing deferred tax balances and the one-time transition tax. For the items which the Company was able to determine a reasonable estimate, a provisional tax expense of $50,986,000 was recognized for the period ended December 31, 2017, which is included as a component of income tax expense from continuing operations. In all cases, the Company will continue to make and refine its calculations as additional analysis is completed. In addition, the Company's estimates may also be affected as regulations and additional guidance are made available.

Provisional Amounts

Deferred tax assets and liabilities: The Company remeasured U.S. deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally 21% for federal income tax purposes. However, the Company is still analyzing certain aspects of the Act and refining the calculations, which could potentially affect the measurement of these balances or potentially give rise to new deferred tax amounts. The provisional amount recorded related to the remeasurement of the deferred tax balance was $13,854,000 at December 31, 2017.

International tax effects: The one-time transition tax is based on the Company's total post-1986 earnings and profits (E&P) which the Company has previously deferred from U.S. income taxes pursuant to the provisions of the Internal Revenue Code prior to the Act, as well as its assertions with respect to the E&P of foreign subsidiaries. The Company recorded a provisional U.S. tax liability for the transition tax in the amount of $37,132,000, resulting in an increase in current income tax expense of $37,132,000. The Company has not yet completed the calculation of the total post -1986 E&P of foreign subsidiaries. Further, the transition tax is based in part on the amount of those earnings held in cash and other specified assets. This amount may change when the Company finalizes its calculation of post-1986 foreign E&P previously deferred from U.S. federal taxation and finalizes the amounts held in cash or other specified assets. No additional income taxes, where applicable (i.e., U.S. Federal, U.S. State, foreign withholding, or similar taxes under foreign law), have been provided on any remaining outside basis difference inherent in these entities. These amounts continue to be provisionally indefinitely reinvested in foreign operations. The Company's provisional calculation of its remaining outside basis difference is not considered material. Determining the amount of unrecognized deferred tax liability related to any additional outside basis difference in these entities (i.e., basis difference other than those subject to the one-time transition tax) is not practicable. This is due to the complexities associated with the hypothetical calculation to determine residual taxes on the undistributed earnings, including the availability of foreign tax credits, applicability of any additional local withholding tax and other indirect tax consequence that may arise due to the distribution of these earnings.

Global Intangible Low-Taxed Income (GILTI)

The Act subjects a U.S. shareholder to tax on GILTI earned by certain foreign subsidiaries. The FASB Staff Q&A, *Topic 740, No. 5, Accounting for GILTI*, states that an entity can make an accounting policy election to either recognize deferred taxes for temporary basis differences expected to reverse as GILTI in future years or provide for the tax expense related to GILTI in the year the tax is incurred. At December 31, 2017, the Company is still evaluating the GILTI provisions and the analysis of future taxable income that is subject to GILTI. Given the complexity of the GILTI provisions, the Company has not yet determined its accounting policy and therefore has not reflected any adjustments related to GILTI in the Company's consolidated financial statements.

**Genuine Parts Company and Subsidiaries**
**Notes to Consolidated Financial Statements — (Continued)**
**December 31, 2017**

Significant components of the Company's deferred tax assets and liabilities are as follows:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| Deferred tax assets related to: | | |
| Expenses not yet deducted for tax purposes | **$ 256,728** | $ 344,927 |
| Pension liability not yet deducted for tax purposes | **257,766** | 397,391 |
| Net operating loss | **31,046** | 4,673 |
| | **545,540** | 746,991 |
| Deferred tax liabilities related to: | | |
| Employee and retiree benefits | **210,429** | 276,256 |
| Inventory | **93,067** | 141,181 |
| Other intangible assets | **287,018** | 120,689 |
| Property, plant, and equipment | **66,727** | 61,666 |
| Other | **35,859** | 58,468 |
| | **693,100** | 658,260 |
| Net deferred tax (liability) asset before valuation allowance | **(147,560)** | 88,731 |
| Valuation allowance | **(5,590)** | (4,405) |
| Total net deferred tax (liability) asset | **$ (153,150)** | $ 84,326 |

The Company currently holds approximately $111,006,000 in net operating losses, of which approximately $94,579,000 will carry forward indefinitely. The remaining net operating losses of approximately $16,427,000 will begin to expire in 2024.

The components of income before income taxes are as follows:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| United States | **$ 813,078** | $ 934,476 | $ 1,004,919 |
| Foreign | **196,190** | 139,864 | 118,762 |
| Income before income taxes | **$ 1,009,268** | $ 1,074,340 | $ 1,123,681 |

The components of income tax expense are as follows:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| Current: | | | |
| Federal | **$ 252,337** | $ 284,199 | $ 309,403 |
| State | **29,288** | 41,083 | 45,460 |
| Foreign | **44,896** | 28,593 | 27,602 |
| Deferred: | | | |
| Federal | **71,238** | 26,684 | 28,754 |
| State | **13,663** | 3,857 | 4,225 |
| Foreign | **(18,911)** | 2,684 | 2,565 |
| | **$ 392,511** | $ 387,100 | $ 418,009 |

The reasons for the difference between total tax expense and the amount computed by applying the statutory Federal income tax rate to income before income taxes are as follows:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| Statutory rate applied to income | **$ 353,259** | $ 376,019 | $ 393,288 |
| Plus state income taxes, net of Federal tax benefit | **27,918** | 29,211 | 32,295 |
| Earnings in jurisdictions taxed at rates different from the U.S. statutory rate | **(33,984)** | (18,057) | (13,684) |
| U.S. tax reform - transition tax | **37,132** | — | — |
| U.S. tax reform - deferred tax remeasurement | **13,854** | — | — |
| Foreign rate change - deferred tax remeasurement | **(9,338)** | — | — |
| Other | **3,670** | (73) | 6,110 |
| | **$ 392,511** | $ 387,100 | $ 418,009 |

The Company, or one of its subsidiaries, files income tax returns in the U.S., various states, and foreign jurisdictions. With few exceptions, the Company is no longer subject to federal, state and local tax examinations by tax authorities for years before 2013 or subject to non-United States income tax examinations for years ended prior to 2011. The Company is currently under audit in various states in the U.S. and some of its foreign jurisdictions. Some audits may conclude in the next twelve months and the unrecognized tax benefits recorded in relation to the audits may differ from actual settlement amounts. It is not possible to estimate the effect, if any, of the amount of such change during the next twelve months to previously recorded uncertain tax positions in connection with the audits. The Company does not anticipate total unrecognized tax benefits will significantly change during the year.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| Balance at beginning of year | **$ 15,190** | $ 15,815 | $ 17,581 |
| Additions based on tax positions related to the current year | **2,644** | 2,184 | 1,969 |
| Additions for tax positions of prior years | **1,511** | 1,317 | 61 |
| Reductions for tax positions for prior years | **(430)** | (1,369) | (3,152) |
| Reduction for lapse in statute of limitations | **(3,917)** | (2,516) | (425) |
| Settlements | **(301)** | (241) | (219) |
| Balance at end of year | **$ 14,697** | $ 15,190 | $ 15,815 |

The amount of gross unrecognized tax benefits, including interest and penalties, as of December 31, 2017 and 2016 was approximately $16,919,000 and $17,176,000, respectively, of which approximately $10,847,000 and $9,615,000, respectively, if recognized, would affect the effective tax rate.

During the years ended December 31, 2017, 2016, and 2015, the Company paid or received refunds of interest and penalties of approximately $(3,384,000), $5,000, and $1,051,000, respectively. The Company had approximately $2,150,800 and $1,848,000 of accrued interest and penalties at December 31, 2017 and 2016, respectively. The Company recognizes potential interest and penalties related to unrecognized tax benefits as a component of income tax expense.

## 8. Employee Benefit Plans

The Company's defined benefit pension plans cover employees in the U.S., Canada, and Europe who meet eligibility requirements. The plan covering U.S. employees is noncontributory and the Company implemented a hard freeze for the U.S. qualified defined benefit plan as of December 31, 2013. The Canadian plan is contributory and benefits are based on career average compensation. The Company's funding policy is to contribute an amount equal to the minimum required contribution under applicable pension legislation. For the plans in the U.S. and Canada, the Company may increase its contribution above the minimum, if appropriate to its tax and cash position and the plans' funded position. For the plans in Europe, these plans will be funded in accordance with local regulations.

The Company also sponsors supplemental retirement plans covering employees in the U.S. and Canada. The Company uses a measurement date of December 31 for its pension and supplemental retirement plans.

Several assumptions are used to determine the benefit obligations, plan assets, and net periodic income. The discount rate for the pension plans is calculated using a bond matching approach to select specific bonds that would satisfy the projected benefit payments. The bond matching approach reflects the process that would be used to settle the pension obligations. The expected return on plan assets is based on a calculated market-related value of plan assets, where gains and losses on plan assets are amortized over a five year period and accumulate in other comprehensive income. Other non-investment unrecognized gains and losses are amortized in future net income based on a "corridor" approach, where the corridor is equal to 10% of the greater of the benefit obligation or the market-related value of plan assets at the beginning of the year. The unrecognized gains and losses in excess of the corridor criteria are amortized over the average future lifetime or service of plan participants, depending on the plan. These assumptions are updated at each annual measurement date.

Changes in benefit obligations for the years ended December 31, 2017 and 2016 were:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| **Changes in benefit obligation** | | |
| Benefit obligation at beginning of year | **$ 2,306,859** | $ 2,199,356 |
| Service cost | **8,459** | 7,746 |
| Interest cost | **96,651** | 104,485 |
| Plan participants' contributions | **2,454** | 2,585 |
| Actuarial loss | **94,546** | 139,851 |
| Foreign currency exchange rate changes | **15,073** | 5,449 |
| Gross benefits paid | **(106,885)** | (154,676) |
| Plan amendments | **4,768** | 2,063 |
| Acquired plans | **13,840** | — |
| Benefit obligation at end of year | **$ 2,435,765** | $ 2,306,859 |

The benefit obligations for the Company's U.S. pension plans included in the above were $2,187,700,000 and $2,105,665,000 at December 31, 2017 and 2016, respectively. The total accumulated benefit obligation for the Company's defined benefit pension plans in the U.S., Canada, and Europe was approximately $2,409,091,000 and $2,281,648,000 at December 31, 2017 and 2016, respectively.

The assumptions used to measure the pension benefit obligations for the plans at December 31, 2017 and 2016, were:

| | 2017 | 2016 |
|---|---|---|
| Weighted-average discount rate | **3.70%** | 4.26% |
| Rate of increase in future compensation levels | **3.11%** | 3.14% |

Changes in plan assets for the years ended December 31, 2017 and 2016 were:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| **Changes in plan assets** | | |
| Fair value of plan assets at beginning of year | **$ 1,965,502** | $ 1,912,736 |
| Actual return on plan assets | **277,650** | 146,022 |
| Foreign currency exchange rate changes | **14,449** | 5,172 |
| Employer contributions | **53,309** | 53,663 |
| Plan participants' contributions | **2,454** | 2,585 |
| Benefits paid | **(106,885)** | (154,676) |
| Fair value of plan assets at end of year | **$ 2,206,479** | $ 1,965,502 |

The fair values of plan assets for the Company's U.S. pension plans included in the above were $1,969,196,000 and $1,760,713,000 at December 31, 2017 and 2016, respectively.

For the years ended December 31, 2017 and 2016, the aggregate benefit obligation and aggregate fair value of plan assets for plans with benefit obligations in excess of plan assets were as follows:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| Aggregate benefit obligation | **$ 2,241,690** | $ 2,131,550 |
| Aggregate fair value of plan assets | **2,003,831** | 1,783,472 |

For the years ended December 31, 2017 and 2016, the aggregate accumulated benefit obligation and aggregate fair value of plan assets for plans with accumulated benefit obligations in excess of plan assets were as follows:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| Aggregate accumulated benefit obligation | **$ 2,210,590** | $ 2,086,711 |
| Aggregate fair value of plan assets | **1,996,017** | 1,760,713 |

The asset allocations for the Company's funded pension plans at December 31, 2017 and 2016, and the target allocation for 2018, by asset category were:

| | Target Allocation 2018 | Percentage of Plan Assets at December 31 | |
|---|---|---|---|
| | | 2017 | 2016 |
| **Asset Category** | | | |
| Equity securities | **72%** | 71% | 70% |
| Debt securities | **28%** | 29% | 30% |
| | **100%** | 100% | 100% |

The Company's benefit plan committees in the U.S. and Canada establish investment policies and strategies and regularly monitor the performance of the funds. The plans in Europe are unfunded and, therefore, there are no plan assets. The pension plan strategy implemented by the Company's management is to achieve long-term objectives and invest the pension assets in accordance with the applicable pension legislation in the U.S. and Canada as well as fiduciary standards. The long-term primary investment objectives for the pension plans are to provide for a reasonable amount of long-term growth of capital, without undue exposure to risk, protect the assets from erosion of purchasing power, and provide investment results that meet or exceed the pension plans' actuarially assumed long-term rates of return. The Company's investment strategy with respect to pension plan assets is to generate a return in excess of the passive portfolio benchmark (47% S&P 500 Index, 5% Russell Mid Cap Index, 7% Russell 2000 Index, 5% MSCI EAFE Index, 5% DJ Global Moderate Index, 3% MSCI Emerging Market Net, and 28% BarCap U.S. Govt/Credit).

The fair values of the plan assets as of December 31, 2017 and 2016, by asset category, are shown in the tables below. Various inputs are considered when determining the value of the Company's pension plan assets. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in these securities. Level 1 represents observable market inputs that are unadjusted quoted prices for identical assets or liabilities in active markets. Level 2 represents other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.). Level 3 represents significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments). Certain investments are measured at fair value using the net asset value ("NAV") per share as a practical expedient and have not been classified in the fair value hierarchy.

**Genuine Parts Company and Subsidiaries**

**Notes to Consolidated Financial Statements — (Continued)**

**December 31, 2017**

The valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. Equity securities are valued at the closing price reported on the active market on which the individual securities are traded on the last day of the calendar plan year. Debt securities including corporate bonds, U.S. Government securities, and asset-backed securities are valued using price evaluations reflecting the bid and/or ask sides of the market for an investment as of the last day of the calendar plan year.

| | 2017 | | | | |
|---|---|---|---|---|---|
| | Total | Assets Measured at NAV | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| | | | (In Thousands) | | |
| **Equity Securities** | | | | | |
| Common stocks — mutual funds — equity | $ 536,609 | $ 193,628 | $ 342,981 | $ — | $ — |
| Genuine Parts Company common stock | 191,771 | — | 191,771 | — | — |
| Other stocks | 838,694 | — | 838,659 | — | 35 |
| | | | | | |
| **Debt Securities** | | | | | |
| Short-term investments | 47,745 | — | 47,745 | — | — |
| Cash and equivalents | 13,530 | — | 13,530 | — | — |
| Government bonds | 180,838 | — | 121,834 | 59,004 | — |
| Corporate bonds | 207,978 | — | — | 207,978 | — |
| Asset-backed and mortgage–backed securities | 9,725 | — | — | 9,725 | — |
| Convertible securities | 211 | — | — | 211 | — |
| Other-international | 29,431 | — | 29,221 | 210 | — |
| Municipal bonds | 7,346 | — | — | 7,346 | — |
| Mutual funds—fixed income | 139,801 | 92,248 | — | 47,553 | — |
| | | | | | |
| **Other** | | | | | |
| Options and futures | 38 | — | 38 | — | — |
| Cash surrender value of life insurance policies | 2,762 | — | — | — | 2,762 |
| **Total** | $ 2,206,479 | $ 285,876 | $ 1,585,779 | $ 332,027 | $ 2,797 |

**Genuine Parts Company and Subsidiaries**

**Notes to Consolidated Financial Statements — (Continued)**

**December 31, 2017**

| | 2016 | | | | |
|---|---|---|---|---|---|
| | Total | Assets Measured at NAV | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| | | | (In Thousands) | | |
| **Equity Securities** | | | | | |
| Common stocks — mutual funds — equity | $ 384,103 | $ 114,182 | $ 269,921 | $ — | $ — |
| Genuine Parts Company common stock | 192,841 | — | 192,841 | — | — |
| Other stocks | 793,101 | — | 793,007 | — | 94 |
| | | | | | |
| **Debt Securities** | | | | | |
| Short-term investments | 55,607 | — | 55,607 | — | — |
| Cash and equivalents | 15,995 | — | 15,995 | — | — |
| Government bonds | 157,303 | — | 102,468 | 54,835 | — |
| Corporate bonds | 192,457 | — | — | 192,457 | — |
| Asset-backed and mortgage–backed securities | 8,872 | — | — | 8,872 | — |
| Convertible securities | 216 | — | — | 216 | — |
| Other-international | 24,613 | — | 20,868 | 3,745 | — |
| Municipal bonds | 9,272 | — | — | 9,272 | — |
| Mutual funds—fixed income | 128,367 | 82,394 | — | 45,973 | — |
| | | | | | |
| **Other** | | | | | |
| Cash surrender value of life insurance policies | 2,755 | — | — | — | 2,755 |
| **Total** | $ 1,965,502 | $ 196,576 | $ 1,450,707 | $ 315,370 | $ 2,849 |

Equity securities include Genuine Parts Company common stock in the amounts of $191,771,000 (9% of total plan assets) and $192,841,000 (10% of total plan assets) at December 31, 2017 and 2016, respectively. Dividend payments received by the plan on Company stock totaled approximately $5,450,000 and $5,308,000 in 2017 and 2016, respectively. Fees paid during the year for services rendered by parties in interest were based on customary and reasonable rates for such services.

The changes in the fair value measurement of plan assets using significant unobservable inputs (Level 3) during 2017 and 2016 were not material.

Based on the investment policy for the pension plans, as well as an asset study that was performed based on the Company's asset allocations and future expectations, the Company's expected rate of return on plan assets for measuring 2018 pension income is 7.20% for the plans. The asset study forecasted expected rates of return for the approximate duration of the Company's benefit obligations, using capital market data and historical relationships.

The following table sets forth the funded status of the plans and the amounts recognized in the consolidated balance sheets at December 31:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| Other long-term asset | **$ 8,573** | $ 6,721 |
| Other current liability | **(9,280)** | (8,206) |
| Pension and other post-retirement liabilities | **(228,579)** | (339,872) |
| | **$ (229,286)** | $ (341,357) |

**Genuine Parts Company and Subsidiaries**
**Notes to Consolidated Financial Statements — (Continued)**
**December 31, 2017**

Amounts recognized in accumulated other comprehensive loss consist of:

| | 2017 | 2016 |
|---|---|---|
| | (In Thousands) | |
| Net actuarial loss | **$ 941,063** | $ 1,003,247 |
| Prior service cost | **5,773** | 672 |
| | **$ 946,836** | $ 1,003,919 |

The following table reflects the total benefits expected to be paid from the pension plans' or the Company's assets. Of the pension benefits expected to be paid in 2018, approximately $9,283,000 is expected to be paid from employer assets. Expected employer contributions below reflect amounts expected to be contributed to funded plans. Information about the expected cash flows for the pension plans follows (in thousands):

| | |
|---|---|
| Employer contribution | |
| 2018 (expected) | $ 47,038 |
| Expected benefit payments: | |
| 2018 | $ 116,326 |
| 2019 | 121,779 |
| 2020 | 127,219 |
| 2021 | 133,143 |
| 2022 | 138,211 |
| 2023 through 2027 | 739,406 |

Net periodic benefit income included the following components:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| Service cost | **$ 8,459** | $ 7,746 | $ 8,562 |
| Interest cost | **96,651** | 104,485 | 98,088 |
| Expected return on plan assets | **(155,432)** | (156,832) | (150,130) |
| Amortization of prior service credit | **(350)** | (432) | (565) |
| Amortization of actuarial loss | **38,034** | 31,641 | 38,197 |
| Net periodic benefit income | **$ (12,638)** | $ (13,392) | $ (5,848) |

Other changes in plan assets and benefit obligations recognized in other comprehensive income (loss) are as follows:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (In Thousands) | |
| Current year actuarial loss | **$ (27,672)** | $ 152,415 | $ 44,930 |
| Recognition of actuarial loss | **(38,034)** | (31,641) | (38,197) |
| Current year prior service cost | **4,768** | 2,063 | — |
| Recognition of prior service credit | **350** | 432 | 565 |
| Total recognized in other comprehensive (loss) income | **$ (60,588)** | $ 123,269 | $ 7,298 |
| Total recognized in net periodic benefit income and other comprehensive (loss) income | **$ (73,226)** | $ 109,877 | $ 1,450 |

The estimated amounts that will be amortized from accumulated other comprehensive loss into net periodic benefit income in 2018 are as follows in thousands:

| | |
|---|---|
| Actuarial loss | $ 39,856 |
| Prior service credit | (148) |
| Total | $ 39,708 |

The assumptions used in measuring the net periodic benefit income for the plans follow:

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| Weighted average discount rate | **4.26%** | 4.82% | 4.26% |
| Rate of increase in future compensation levels | **3.15%** | 3.12% | 3.07% |
| Expected long-term rate of return on plan assets | **7.80%** | 7.83% | 7.85% |

The Company has one defined contribution plan in the U.S. that covers substantially all of its domestic employees. Employees receive a matching contribution of 100% of the first 5% of the employees' salary. Total plan expense was approximately $58,186,000 in 2017, $56,975,000 in 2016, and $55,066,000 in 2015.

The Company launched a new defined contribution plan on April 1, 2017 that covers full-time Canadian employees after six months of employment and part-time employees upon meeting provincial minimum standards. Employees receive a matching contribution of 100% of the first 5% of the employees' salary. Total plan expense was approximately $2,600,000 in 2017.

## 9. Guarantees

The Company guarantees the borrowings of certain independently controlled automotive parts stores (independents) and certain other affiliates in which the Company has a noncontrolling equity ownership interest (affiliates). Presently, the independents are generally consolidated by unaffiliated enterprises that have a controlling financial interest through ownership of a majority voting interest in the independent. The Company has no voting interest or other equity conversion rights in any of the independents. The Company does not control the independents or the affiliates, but receives a fee for the guarantee. The Company has concluded that the independents are variable interest entities, but that the Company is not the primary beneficiary. Specifically, the equity holders of the independents have the power to direct the activities that most significantly impact the entity's economic performance including, but not limited to, decisions about hiring and terminating personnel, local marketing and promotional initiatives, pricing and selling activities, credit decisions, monitoring and maintaining appropriate inventories, and store hours. Separately, the Company concluded the affiliates are not variable interest entities. The Company's maximum exposure to loss as a result of its involvement with these independents and affiliates is generally equal to the total borrowings subject to the Company's guarantee. While such borrowings of the independents and affiliates are outstanding, the Company is required to maintain compliance with certain covenants, including a maximum debt to EBITDA ratio and certain limitations on additional borrowings. At December 31, 2017, the Company was in compliance with all such covenants.

At December 31, 2017, the total borrowings of the independents and affiliates subject to guarantee by the Company were approximately $616,710,000. These loans generally mature over periods from one to six years. In the event that the Company is required to make payments in connection with guaranteed obligations of the independents or the affiliates, the Company would obtain and liquidate certain collateral (e.g., accounts receivable and inventory) to recover all or a portion of the amounts paid under the guarantee. When it is deemed probable that the Company will incur a loss in connection with a guarantee, a liability is recorded equal to this estimated loss. To date, the Company has had no significant losses in connection with guarantees of independents' and affiliates' borrowings.

The Company has recognized certain assets and liabilities amounting to $65,000,000 and $42,000,000 for the guarantees related to the independents' and affiliates' borrowings at December 31, 2017 and 2016, respectively. These assets and liabilities are included in other assets and other long-term liabilities in the consolidated balance sheets.

## 10. Legal Matter

On April 17, 2017, a jury awarded damages against the Company of $81,500,000 in a litigated automotive product liability dispute. Through post-trial motions and offsets from previous settlements, the initial verdict has been reduced to $77,100,000. The Company believes the verdict is not supported by the facts or the law and is contrary to the Company's role in the automotive parts industry.

The Company is challenging the verdict through an appeal to a higher court. At the time of the filing of these financial statements, based upon the Company's legal defenses, insurance coverage, and reserves, the Company does not believe this matter will have a material impact to the consolidated financial statements.

## 11. Acquisitions and Equity Investments

The Company acquired several companies and equity investments for approximately $1,457,000,000, $420,000,000, and $140,000,000, net of cash acquired, during the years ended December 31, 2017, 2016, and 2015, respectively. Aside from the AAG acquisition and the Inenco investment in 2017, the remaining acquisitions are considered individually immaterial, as well as immaterial in the aggregate.

2017

A significant portion of the acquisitions made in 2017 included twelve companies in the Automotive Parts Group, two companies in the Industrial Group, and one company in the Electrical/Electronic Materials Group. The purchase price for these fifteen acquisitions was approximately $1,334,000,000, net of cash acquired.

Automotive Parts Group

The twelve Automotive Parts Group acquisitions generate annual revenues of approximately $1,900,000,000. In the U.S., the Company acquired Standard Motor Parts, which operates five locations, as well as Olympic Brake Supply, which operates six locations, in January and February 2017, respectively. Additionally, the Company added 14 new locations with the acquisition of Merle's Automotive Supply in May 2017 and 17 new locations with the addition of Monroe Motor Products in November 2017. In June 2017, the Company also added four new locations to its heavy vehicle parts operations with the acquisition of Stone Truck Parts.

The Company expanded its distribution network in Australia with the addition of three single-location businesses, including Welch Auto Parts in July 2017, Logan City autoBarn in August 2017, subsequently re-branded as a NAPA Auto Super Store, and Sulco Tools and Equipment in September 2017. In Canada, the Company acquired Service de Freins Montreal Ltee, with 4 locations and Belcher Parts and Attachments with one location in April 2017. In December 2017, the Company acquired Universal Supply Group, which has 21 locations in Canada serving the automotive, paint and body and heavy vehicle sectors.

In November 2017, the Company acquired AAG, which is discussed further below.

Industrial Group

The two Industrial Group acquisitions generate annual revenues of approximately $118,000,000. In August 2017, the Company acquired Numatic Engineering, a distributor of automation products. In November 2017, the Company acquired Apache Hose & Belting Company, Inc. ("Apache") and operates in seven locations in the U.S. Apache specializes in value-added fabrication of belts, hoses and other industrial products.

Electrical/Electronic Materials Group

The Electrical/Electronic Materials Group acquisition generates annual revenues of approximately $65,000,000. In April 2017, the Company acquired Empire Wire and Supply ("Empire"), an innovative provider of custom cable assemblies and distributor of network, electrical, automation and safety products. Empire operates from three locations in the U.S., as well as one location in Canada.

Net sales from these fifteen acquisitions included in the Company's consolidated statement of income and comprehensive income at December 31, 2017 were approximately $429,000,000.

For each acquisition, the Company allocated the purchase price to the assets acquired and the liabilities assumed based on their fair values as of their respective acquisition dates. The results of operations for the acquired companies were included in the Company's consolidated statements of income and comprehensive income beginning on their respective acquisition dates. The Company recorded approximately $1,926,000,000 of goodwill and other intangible assets associated with the 2017 acquisitions. Other intangible assets acquired consisted of customer relationships of $619,000,000, trademarks of $176,000,000, and other intangibles of $1,000,000 with weighted average amortization lives of 19, 27, and 2 years, respectively.

Additional disclosures for the 2017 automotive acquisition of AAG and the Inenco investment are provided below.

***Alliance Automotive Group***

The Company acquired all of the equity interests in AAG for approximately $1,080,000,000 in cash on November 2, 2017. The net cash consideration transferred of approximately $1,080,000,000 is net of the cash acquired of approximately $109,000,000. AAG, which is headquartered in London, is the second largest parts distribution platform in Europe, based on revenues, with a focus on light and commercial vehicle replacement parts distributed to the independent aftermarket in France, Germany, the U.K., and a recently acquired subsidiary in Poland. AAG has approximately 8,000 employees and over 2,000 company-owned stores and affiliated outlets across France, the U.K., Germany, and Poland, with annual revenues of approximately $1,700,000,000.

Coincident with the transaction, GPC repaid a majority of AAG's debt including publicly held notes and a revolving credit facility with a banking group, including accrued interest, for approximately $825,000,000. The acquisition and subsequent redemption of substantially all acquired debt, was financed using a combination of new borrowings under a term loan, five private placement notes, and borrowings under increased credit facilities.

**Genuine Parts Company and Subsidiaries**

**Notes to Consolidated Financial Statements — (Continued)**

**December 31, 2017**

The following table summarizes the preliminary, estimated fair values of the assets acquired and liabilities assumed at the acquisition date. The fair value of the acquired identifiable intangible assets is provisional pending completion of the final valuations for these assets. The Company is in the process of analyzing the estimated values of all assets acquired and liabilities assumed as of the acquisition date, including, among other things, obtaining final valuations of certain tangible and intangible assets, as well as the fair value of certain contracts and the determination of certain tax balances. The allocation of the purchase price is therefore preliminary and subject to revision.

| | November 2, 2017 |
|---|---|
| | (In Thousands) |
| Trade accounts receivable | $ 380,000 |
| Merchandise inventories | 374,000 |
| Prepaid expenses and other current assets | 213,000 |
| Intangible assets | 727,000 |
| Deferred tax assets | 4,000 |
| Other assets | 25,000 |
| Property and equipment | 93,000 |
| Total identifiable assets acquired | 1,816,000 |
| Current liabilities | (768,000) |
| Long-term debt | (769,000) |
| Pension and other post-retirement benefit liabilities | (14,000) |
| Deferred tax liabilities | (151,000) |
| Other long-term liabilities | (32,000) |
| Total liabilities assumed | (1,734,000) |
| Net identifiable assets acquired | 82,000 |
| Noncontrolling interests in subsidiaries | (38,000) |
| Goodwill | 1,036,000 |
| Net assets acquired | $ 1,080,000 |

The acquired intangible assets of approximately $727,000,000 were provisionally assigned to customer relationships of $550,000,000, trademarks of $176,000,000, and other intangibles of $1,000,000, with weighted average amortization lives of 19, 27 and 2 years, respectively, for a total weighted average amortizable life of 21 years.

The estimated goodwill recognized as part of the acquisition is not tax deductible and has been assigned to the Automotive segment. The goodwill is attributable primarily to expected synergies and the assembled work- force. The fair values of the non-controlling interests in subsidiaries are at estimated fair values using income approaches.

The amounts of net sales and earnings of AAG included in the Company's consolidated statements of income and comprehensive income from November 2, 2017 to December 31, 2017 were approximately $256,400,000 in net sales and net income of $0.07 on a per share diluted basis, respectively.

The unaudited pro forma consolidated statements of income and comprehensive income of the Company as if AAG had been included in the consolidated results of the Company for the years ended December 31, 2017 and 2016 would be estimated at $17,627,000,000 and $16,575,000,000 in net sales, respectively, and net income of $4.56 and $4.55 on a per share diluted basis, respectively. The pro forma information is not necessarily indicative of the results of operations that the Company would have reported had the transaction actually occurred at the beginning of these periods, nor is it necessarily indicative of future results.

The adjustments to the pro forma amounts include, but are not limited to, applying the Company's accounting policies, amortization related to fair value adjustments to intangible assets, one-time purchase accounting adjustments, interest expense on acquisition related debt, and any associated tax effects.

***Inenco***

Effective April 3, 2017, the Company acquired a 35% investment in the Inenco Group for approximately $72,100,000 from Conbear Holdings Pty Limited ("Conbear"). The equity investment was funded with the Company's cash on hand. The Inenco Group, which is headquartered in Sydney, Australia, is an industrial distributor of bearings, power transmissions, and seals in Australasia, with annual revenues of approximately $325,000,000 and 161 locations across Australia and New Zealand, as well as an emerging presence in Asia.

The Company and Conbear both have an option to acquire or sell, respectively, the remaining 65% of Inenco at a later date contingent upon certain conditions being satisfied. However, there can be no guarantee that such conditions will be met or, if they are met, whether either company would exercise its option.

2016 and 2015

A significant portion of the 2016 companies acquired included eleven companies in the Automotive Parts Group, five companies in the Industrial Group, two companies in the Business Products Group, and one company in the Electrical/Electronic Materials Group. The purchase price for these nineteen acquisitions was approximately $370,000,000, net of cash acquired. A significant portion of the 2015 companies acquired included one company in the Electrical/Electronic Materials Group, three companies in the Business Products Group, four companies in the Industrial Group, and five store groups in the Automotive Parts Group for approximately $120,000,000, net of cash acquired.

For each acquisition, the Company allocated the purchase price to the assets acquired and the liabilities assumed based on their fair values as of their respective acquisition dates. The results of operations for the acquired companies were included in the Company's consolidated statements of income and comprehensive income beginning on their respective acquisition dates. The Company recorded approximately $260,000,000 and $90,000,000 of goodwill and other intangible assets associated with the 2016, and 2015 acquisitions, respectively. For the 2016 acquisitions, other intangible assets acquired consisted of customer relationships of $112,000,000 and trademarks of $28,000,000 with weighted average amortization lives of 17 and 35 years, respectively. For the 2015 acquisitions, other intangible assets acquired consisted of customer relationships of $39,000,000 with weighted average amortization lives of 15 years.

**12. Segment Data**

The Company's reportable segments consist of automotive, industrial, business products, and electrical/electronic materials. Within the reportable segments, certain of the Company's operating segments are aggregated since they have similar economic characteristics, products and services, type and class of customers, and distribution methods.

The Company's automotive segment distributes replacement parts (other than body parts) for substantially all makes and models of automobiles, trucks, and other vehicles.

The Company's industrial segment distributes a wide variety of industrial bearings, mechanical and fluid power transmission equipment, including hydraulic and pneumatic products, material handling components, and related parts and supplies.

The Company's business products segment distributes a wide variety of office products, computer supplies, office furniture, and business electronics.

The Company's electrical/electronic materials segment distributes a wide variety of electrical/electronic materials, including insulating and conductive materials for use in electronic and electrical apparatus.

Inter-segment sales are not significant. Operating profit for each industry segment is calculated as net sales less operating expenses excluding general corporate expenses, interest expense, and equity in income from investees, amortization, and noncontrolling interests. Approximately $196,200,000, $139,900,000 and $118,800,000 of income before income taxes was generated in jurisdictions outside the United States for the years ended December 31, 2017, 2016, and 2015, respectively. Net sales and net property, plant and equipment by country relate directly to the Company's operations in the respective country. Corporate assets are principally cash and cash equivalents and headquarters' facilities and equipment.

For management purposes, net sales by segment exclude the effect of certain discounts, incentives, and freight billed to customers. The line item "other" represents the net effect of the discounts, incentives, and freight billed to customers that are reported as a component of net sales in the Company's consolidated statements of income and comprehensive income.

**Genuine Parts Company and Subsidiaries**
**Notes to Consolidated Financial Statements — (Continued)**
**December 31, 2017**

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| | | | (In Thousands) | | |
| Net sales: | | | | | |
| Automotive | **$ 8,662,696** | $ 8,111,511 | $ 8,015,098 | $ 8,096,877 | $ 7,489,186 |
| Industrial | **4,966,518** | 4,634,212 | 4,646,689 | 4,771,080 | 4,429,976 |
| Business products | **1,998,946** | 1,969,405 | 1,937,629 | 1,802,754 | 1,638,618 |
| Electrical/electronic materials | **780,928** | 715,650 | 750,770 | 739,119 | 568,872 |
| Other | **(100,287)** | (91,065) | (70,142) | (68,183) | (48,809) |
| Total net sales | **$ 16,308,801** | $ 15,339,713 | $ 15,280,044 | $ 15,341,647 | $ 14,077,843 |
| Operating profit: | | | | | |
| Automotive | **$ 720,465** | $ 715,154 | $ 729,152 | $ 700,386 | $ 641,492 |
| Industrial | **384,247** | 336,608 | 339,180 | 370,043 | 320,720 |
| Business products | **98,882** | 117,035 | 140,866 | 133,727 | 122,492 |
| Electrical/electronic materials | **56,207** | 60,539 | 70,151 | 64,884 | 47,584 |
| Total operating profit | **1,259,801** | 1,229,336 | 1,279,349 | 1,269,040 | 1,132,288 |
| Interest expense, net | **(38,677)** | (19,525) | (20,354) | (24,192) | (24,330) |
| Corporate expense | **(159,863)** | (94,601) | (100,436) | (90,242) | (34,667) |
| Intangible asset amortization | **(51,993)** | (40,870) | (34,878) | (36,867) | (28,987) |
| Income before income taxes | **$ 1,009,268** | $ 1,074,340 | $ 1,123,681 | $ 1,117,739 | $ 1,044,304 |
| Assets: | | | | | |
| Automotive | **$ 6,140,829** | $ 4,601,150 | $ 4,293,290 | $ 4,275,298 | $ 4,009,244 |
| Industrial | **1,437,125** | 1,292,063 | 1,143,952 | 1,224,735 | 1,162,697 |
| Business products | **859,335** | 907,119 | 831,546 | 835,592 | 708,944 |
| Electrical/electronic materials | **208,146** | 203,334 | 191,866 | 196,400 | 156,780 |
| Corporate | **212,566** | 281,071 | 322,323 | 327,623 | 353,276 |
| Goodwill and other intangible assets | **3,554,380** | 1,574,663 | 1,361,794 | 1,386,590 | 1,289,356 |
| Total assets | **$ 12,412,381** | $ 8,859,400 | $ 8,144,771 | $ 8,246,238 | $ 7,680,297 |

**Genuine Parts Company and Subsidiaries**
**Notes to Consolidated Financial Statements — (Continued)**
**December 31, 2017**

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| | | | (In Thousands) | | |
| Depreciation and amortization: | | | | | |
| Automotive | **$ 71,405** | $ 65,372 | $ 70,112 | $ 77,645 | $ 76,238 |
| Industrial | **10,353** | 10,371 | 9,960 | 9,906 | 8,751 |
| Business products | **11,262** | 11,398 | 10,922 | 10,728 | 10,166 |
| Electrical/electronic materials | **3,093** | 2,967 | 2,933 | 2,658 | 1,904 |
| Corporate | **19,585** | 16,509 | 12,870 | 10,509 | 7,911 |
| Intangible asset amortization | **51,993** | 40,870 | 34,878 | 36,867 | 28,987 |
| Total depreciation and amortization | **$ 167,691** | $ 147,487 | $ 141,675 | $ 148,313 | $ 133,957 |
| Capital expenditures: | | | | | |
| Automotive | **$ 118,181** | $ 73,339 | $ 77,504 | $ 78,537 | $ 97,735 |
| Industrial | **23,267** | 27,383 | 13,998 | 12,442 | 8,808 |
| Business products | **6,726** | 12,072 | 12,323 | 11,135 | 9,297 |
| Electrical/electronic materials | **5,299** | 5,710 | 2,824 | 3,003 | 1,730 |
| Corporate | **3,287** | 42,139 | 2,895 | 2,564 | 6,493 |
| Total capital expenditures | **$ 156,760** | $ 160,643 | $ 109,544 | $ 107,681 | $ 124,063 |
| Net sales: | | | | | |
| United States | **$ 13,293,325** | $ 12,822,320 | $ 12,843,078 | $ 12,565,329 | $ 11,594,713 |
| Europe | **256,364** | — | — | — | — |
| Canada | **1,549,915** | 1,390,979 | 1,395,695 | 1,583,075 | 1,560,799 |
| Australasia | **1,185,487** | 1,104,511 | 992,064 | 1,133,620 | 839,353 |
| Mexico | **123,997** | 112,968 | 119,349 | 127,806 | 131,787 |
| Other | **(100,287)** | (91,065) | (70,142) | (68,183) | (48,809) |
| Total net sales | **$ 16,308,801** | $ 15,339,713 | $ 15,280,044 | $ 15,341,647 | $ 14,077,843 |
| Net property, plant, and equipment: | | | | | |
| United States | **$ 647,386** | $ 561,164 | $ 495,073 | $ 495,452 | $ 503,882 |
| Europe | **96,857** | — | — | — | — |
| Canada | **90,857** | 81,260 | 79,023 | 98,939 | 99,135 |
| Australasia | **95,299** | 79,413 | 65,289 | 65,707 | 60,614 |
| Mexico | **6,303** | 6,287 | 8,832 | 10,004 | 6,430 |
| Total net property, plant, and equipment | **$ 936,702** | $ 728,124 | $ 648,217 | $ 670,102 | $ 670,061 |

**13. Subsequent Event**

Effective January 1, 2018, the electrical/electronic materials segment became a division of the industrial segment. These two reportable segments will become a single reporting segment in 2018 and prospectively. The Company's reportable segments will consist of the automotive, industrial, and business products segments and segment data will be presented under this new basis for all interim and annual periods beginning in 2018.

**Annual Report on Form 10-K**

**Item 15(a)**

**Financial Statement Schedule II — Valuation and Qualifying Accounts**

**Genuine Parts Company and Subsidiaries**

| | Balance at Beginning of Period | Charged to Costs and Expenses | Deductions(1) | Balance at End of Period |
|---|---|---|---|---|
| Year ended December 31, 2015: | | | | |
| Reserves and allowances deducted from asset accounts: | | | | |
| Allowance for doubtful accounts | $ 11,836,000 | $ 12,373,000 | $ (13,516,000) | $ 10,693,000 |
| Year ended December 31, 2016: | | | | |
| Reserves and allowances deducted from asset accounts: | | | | |
| Allowance for doubtful accounts | $ 10,693,000 | $ 11,515,000 | $ (6,651,000) | $ 15,557,000 |
| Year ended December 31, 2017: | | | | |
| Reserves and allowances deducted from asset accounts: | | | | |
| Allowance for doubtful accounts | **$ 15,557,000** | **$ 13,932,000** | **$ (11,877,000)** | **$ 17,612,000** |

(1) Doubtful accounts written off, net of recoveries.

**ANNUAL REPORT ON FORM 10-K**

**INDEX OF EXHIBITS**

The following exhibits are filed (or furnished, if so indicated) herewith as a part of this Report:

| | |
|---|---|
| 10.30 | Genuine Parts Company Syndicated Facility Agreement. |
| 10.31 | Genuine Parts Company Note Purchase Agreement. |
| 21 | Subsidiaries of the Company. |
| 23 | Consent of Independent Registered Public Accounting Firm. |
| 31.1 | Certification signed by the Chief Executive Officer pursuant to SEC Rule 13a-14(a). |
| 31.2 | Certification signed by the Chief Financial Officer pursuant to SEC Rule 13a-14(a). |
| 32.1 | Statement of Chief Executive Officer of Genuine Parts Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| 32.2 | Statement of Chief Financial Officer of Genuine Parts Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). |
| 101 | Interactive data files pursuant to Rule 405 of Regulation S-T. |

The following exhibits are incorporated by reference as set forth in Item 15 of this Form 10-K. Instruments with respect to long-term debt where the total amount of securities authorized there under does not exceed 10% of the to tal assets of the Registrant and its subsidiaries on a consolidated basis have not been filed. The Registrant agrees to furnish to the Commission a copy of each such instrument upon request.

| | |
|---|---|
| — 2.1 | Genuine Parts Company Sale and Purchase Agreement relating to the Alliance Automotive Group by and between BCP Funds, AIG Managers, GPC Europe Acquisition Co. Limited and Genuine Parts Company dated September 22, 2017. |
| — 3.1 | Amended and Restated Articles of Incorporation of the Company, amended April 23, 2007. |
| — 3.2 | By-Laws of the Company as amended and restated November 18, 2013. |
| — 4.2 | Specimen Common Stock Certificate. |
| — 10.1* | The Genuine Parts Company Tax-Deferred Savings Plan, effective January 1, 1993. |
| — 10.2* | Amendment No. 1 to the Genuine Parts Company Tax-Deferred Savings Plan, dated June 1, 1996, effective June 1, 1996. |
| — 10.3* | Amendment No. 2 to the Genuine Parts Company Tax-Deferred Savings Plan, dated April 19, 1999, effective April 19, 1999. |
| — 10.4* | Amendment No. 3 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 28, 2001, effective July 1, 2001. |
| — 10.5* | Amendment No. 4 to the Genuine Parts Company Tax-Deferred Savings Plan, dated June 5, 2003, effective June 5, 2003. |
| — 10.6* | Amendment No. 5 to the Genuine Parts Company Tax-Deferred Savings Plan, dated December 28, 2005, effective January 1, 2006. |
| — 10.7* | Amendment No. 6 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 28, 2007, effective January 1, 2008. |
| — 10.8* | Amendment No. 7 to the Genuine Parts Company Tax-Deferred Savings Plan, dated November 16, 2010, effective January 1, 2011. |
| — 10.9* | Amendment No. 8 to the Genuine Parts Company Tax-Deferred Savings Plan, dated December 7, 2012, effective December 7, 2012. |
| — 10.10* | The Genuine Parts Company Original Deferred Compensation Plan, as amended and restated as of August 19, 1996. |

| | |
|---|---|
| — 10.11* | Amendment to the Genuine Parts Company Original Deferred Compensation Plan, dated April 19, 1999, effective April 19, 1999. |
| — 10.12* | Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009. |
| — 10.13* | Amendment No. 1 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated August 16, 2010, effective August 16, 2010. |
| — 10.14* | Amendment No. 2 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated November 16, 2010, effective January 1, 2011. |
| — 10.15* | Amendment No. 3 to the Genuine Parts Company Supplemental Retirement Plan, as amended and restated as of January 1, 2009, dated December 7, 2012, effective December 31, 2013. |
| — 10.16* | Genuine Parts Company Directors' Deferred Compensation Plan, as amended and restated effective January 1, 2003, and executed November 11, 2003. |
| — 10.17* | Amendment No. 1 to the Genuine Parts Company Directors' Deferred Compensation Plan, dated November 19, 2007, effective January 1, 2008. |
| — 10.18* | Amendment No. 2 to the Genuine Parts Company Director's Deferred Compensation Plan, dated December 7, 2012, effective December 7, 2012 |
| — 10.19* | Description of Director Compensation. |
| — 10.20* | Genuine Parts Company 1999 Long-Term Incentive Plan, as amended and restated as of November 19, 2001. |
| — 10.21* | Genuine Parts Company 2006 Long-Term Incentive Plan, effective April 17, 2006. |
| — 10.22* | Amendment to the Genuine Parts Company 2006 Long-Term Incentive Plan, dated November 20, 2006, effective November 20, 2006. |
| — 10.23* | Amendment No. 2 to the Genuine Parts Company 2006 Long-Term Incentive Plan, dated November 19, 2007, effective November 19, 2007. |
| — 10.24* | Genuine Parts Company 2015 Incentive Plan, effective November 17, 2014. |
| — 10.25* | Genuine Parts Company Performance Restricted Stock Unit Award Agreement. |
| — 10.26* | Genuine Parts Company Restricted Stock Unit Award Agreement. |
| — 10.27* | Genuine Parts Company Stock Appreciation Rights Agreement. |
| — 10.28* | Form of Executive Officer Change in Control Agreement. |
| — 10.29 | Genuine Parts Company 364-Day Bridge Credit Agreement. |

* Indicates management contracts and compensatory plans and arrangements.

**EXHIBIT 10.30**

CUSIP No. (Deal): 37249WAE2
CUSIP No. (Revolver): 37249WAF9
CUSIP No. (Term Loan): 37249WAG7

# AMENDED AND RESTATED SYNDICATED FACILITY AGREEMENT

Dated as of October 30, 2017

among

GENUINE PARTS COMPANY,
UAP INC.
and
CERTAIN DESIGNATED SUBSIDIARIES,
as the Borrowers,

CERTAIN DOMESTIC SUBSIDIARIES OF THE BORROWERS,
as the Guarantors

BANK OF AMERICA, N.A.,
as Administrative Agent, Domestic Swing Line Lender and L/C Issuer,

BANK OF AMERICA, N.A., acting through its Canada branch,
as Canadian Swing Line Lender,

BANK OF AMERICA, N.A., acting through its Australia branch,
as Australian Swing Line Lender

and

THE OTHER LENDERS PARTY HERETO

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

SUNTRUST BANK,
WELLS FARGO BANK, N.A.,
SANTANDER BANK, N.A.,
TORONTO DOMINION (TEXAS) LLC
and
U.S. BANK NATIONAL ASSOCIATION,
as Co-Documentation Agents

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
JPMORGAN CHASE BANK, N.A.,
SUNTRUST ROBINSON HUMPHREY, INC.
and

WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers and Joint Bookrunners

TABLE OF CONTENTS

SCHEDULES



EXHIBITS

AMENDED AND RESTATED SYNDICATED FACILITY AGREEMENT

This AMENDED AND RESTATED SYNDICATED FACILITY AGREEMENT is entered into as of October 30, 2017 among GENUINE PARTS COMPANY, a Georgia corporation (the " Company"), UAP INC., a company constituted under the laws of Quebec ("UAP"), certain other Subsidiaries of the Company party hereto pursuant to Section 2.16 (each a "Designated Borrower" and, together with the Company and UAP, the "Borrowers" and, each a "Borrower"), the Lenders (defined herein), BANK OF AMERICA, N.A., acting through its Canada branch, as Canadian Swing Line Lender, BANK OF AMERICA, N.A., acting through its Australia branch, as Australian Swing Line Lender, and BANK OF AMERICA, N.A., as Administrative Agent, Domestic Swing Line Lender and L/C Issuer.

The Borrowers have requested that the Lenders provide $2,600,000,000 in credit facilities for the purposes set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, 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:

"Accepting Lenders" has the meaning specified in Section 2.20(a).

"Additional Lender" means, at any time, any bank, other financial institution or institutional lender or investor that, in any case, is not an existing Lender and that agrees to provide any portion of any Other Loans pursuant to a Refinancing Amendment in accordance with Section 2.21.

"Additional Swing Line Facility" has the meaning specified in Section 2.16(e).

"Additional Swing Line Facility Notice" has the meaning specified in Section 2.16(e).

"Additional Swing Line Lender" has the meaning specified in Section 2.16(e).

"Additional Swing Line Loan" has the meaning specified in Section 2.04(d).

"Additional Swing Line Loan Sublimit" has the meaning specified in Section 2.16(e).

"Administrative Agent" means Bank of America (or any of its designated branch offices or affiliates) in its capacity as administrative agent under any of the Credit Documents, or any successor administrative agent.

"Administrative Agent's Office" means, with respect to any currency, the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify to the Company and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agency Fee Letter" means the letter agreement, dated as of October 2, 2017, between the Company and Bank of America.

"Aggregate Revolving Commitments" means the Revolving Commitments of all the Lenders. The aggregate principal amount of the Aggregate Revolving Commitments in effect on the Closing Date is One Billion Two Hundred Million Dollars ($1,200,000,000). The Aggregate Revolving Commitments shall automatically increase by Three Hundred Million Dollars ($300,000,000) on the Term Loan Funding Date as provided in Section 2.06(a).

"Agreement" means this Syndicated Facility Agreement.

"Alternative Currency" means each of Australian Dollar, Canadian Dollar, Euro, Sterling, Yen, New Zealand Dollar and each other currency (other than Dollars) that is approved in accordance with Section 1.06.

"Alternative Currency Equivalent" means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or the L/C Issuer, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with Dollars.

"Anti-Money Laundering Laws" has the meaning specified in Section 6.25.

"Applicable Percentage" means with respect to any Lender at any time, (a) with respect to such Lender's Term Loan Commitment, (i) on or prior to the Term Loan Funding Date, the percentage (carried out to the ninth decimal place) of Term Loan Commitments of all the Lenders represented by such Lender's Term Loan Commitment at such time and (ii) thereafter, the percentage (carried out to the ninth decimal place) of the outstanding principal amount of the Term Loan held by such Lender at such time, and (b) with respect to such Lender's Revolving Commitment at any time, the percentage of the Aggregate Revolving Commitments represented by such Lender's Revolving Commitment at such time, subject to adjustment as provided in Section 2.15; provided that if the commitment of each Lender to make Revolving Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 9.15 or if the Aggregate Revolving Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means the following percentages per annum based upon the Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 7.09(c):

(a) prior to the Term Loan Funding Date:

| Pricing Tier | Leverage Ratio | Commitment Fee | Letter of Credit Fee | Eurocurrency Rate Loans | Base Rate Loans |
|---|---|---|---|---|---|
| I | < 0.15:1.00 | 0.050% | 0.625% | 0.625% | 0.00% |
| II | ≥ 0.15:1.00 but < 0.25:1.00 | 0.070% | 0.750% | 0.750% | 0.00% |
| III | ≥ 0.25:1.00 but < 0.30:1.00 | 0.100% | 0.875% | 0.875% | 0.00% |
| IV | ≥ 0.30:1.00 but < 0.35:1.00 | 0.125% | 1.000% | 1.000% | 0.00% |
| V | ≥ 0.35:1.00 | 0.150% | 1.125% | 1.125% | 0.125% |

(b) on and after the Term Loan Funding Date:

| Pricing Tier | Leverage Ratio | Commitment Fee | Letter of Credit Fee | Eurocurrency Rate Loans | Base Rate Loans |
|---|---|---|---|---|---|
| I | < 0.75:1.00 | 0.080% | 0.750% | 0.750% | 0.000% |
| II | ≥ 0.75:1.00 but < 1.25:1.00 | 0.100% | 0.875% | 0.875% | 0.000% |
| III | ≥ 1.25:1.00 but < 1.75:1.00 | 0.125% | 1.125% | 1.125% | 0.125% |
| IV | ≥ 1.75:1.00 but < 2.25:1.0 | 0.150% | 1.250% | 1.250% | 0.250% |
| V | ≥ 2.25:1.00 but < 2.75:1.0 | 0.175% | 1.375% | 1.375% | 0.375% |
| VI | ≥ 2.75:1.0 | 0.200% | 1.500% | 1.500% | 0.500% |

Any increase or decrease in the Applicable Rate resulting from a change in the Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.09(c); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then, upon the request of the Required Lenders, (x) prior to the Term Loan Funding Date, Pricing Tier V in clause (a) or (y) on and after the Term Loan Funding Date, Pricing Tier VI in clause (b), shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall continue to apply until the first Business Day immediately following the date a Compliance Certificate is delivered in accordance with Section 7.09(c), whereupon the Applicable Rate shall be adjusted based upon the calculation of the Leverage Ratio contained in such Compliance Certificate. The Applicable Rate in effect from the Closing Date to the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.09(c) for the fiscal year ending December 31, 2017 shall be determined based upon (x) prior to the Term Loan Funding Date, Pricing Tier IV in clause (a) and (y) on an after the Term Loan Funding Date, Pricing Tier V in clause (b). Notwithstanding anything to the contrary contained in this definition, the determination of the Applicable Rate for any period shall be subject to the provisions of Section 2.10(b).

"Applicable Time" means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the

Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

"Applicant Borrower" has the meaning specified in Section 2.16(b).

"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.

"Asset Value" means, with respect to any property or asset of any Consolidated Company, as of any date of determination, an amount equal to the book value of such property or asset as established in accordance with GAAP.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit 11.06 or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent.

"Audited Financial Statements" means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended December 31, 2016, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto, audited by independent public accountants of recognized national standing and prepared in conformity with GAAP.

"Australian Borrowers" means any Designated Borrowers that are identified as Australian Borrowers on Schedule 2.16 and any Australian Subsidiary that becomes a Designated Borrower pursuant to Section 2.16 after the Closing Date.

"Australian Dollar", "AUD" or "AUD$" means the lawful currency of Australia.

"Australian Subsidiary" means any Subsidiary that is organized under the laws of Australia or any state or other political subdivision thereof.

"Australian Swing Line Lender" means Bank of America, N.A., acting through its Australia branch, in its capacity as provider of Australian Swing Line Loans, or any successor swing line lender hereunder.

"Australian Swing Line Loan" has the meaning specified in Section 2.04(c).

"Australian Swing Line Sublimit" has the meaning specified in Section 2.04(c).

"Availability Period" means, with respect to the Revolving Commitments, the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Revolving Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Revolving Lender to make Revolving Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 9.15.

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

"Bail-In Legislation" means, 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bank of America" means Bank of America, N.A.

"Bankruptcy Code" means the Bankruptcy Code of the United States.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus one-half of one percent (0.50%), (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate" and (c) the Eurocurrency Rate plus one percent (1.00%); and if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the "prime rate" announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

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

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

"Borrower" and "Borrowers" each has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 7.09.

"Borrowing" means each of the following: (a) a borrowing of Swing Line Loans pursuant to Section 2.04 and (b) a borrowing consisting of simultaneous Loans of the same Type, in the same currency and, in the case of Eurocurrency Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office with respect to Obligations denominated in Dollars is located and, if such day relates to any Eurocurrency Rate Loan, means any such day that is also a London Banking Day, and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day on which dealings in deposits in Dollars are conducted by and between banks in the London interbank eurodollar market;

(b) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency

Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency;

(d) if such day relates to any interest rate settings as to a Canadian Swing Line Loan, means any such day on which dealings in deposits in Canadian Dollars are conducted by and between banks in Toronto;

(e) if such day relates to any interest rate settings as to an Australian Swing Line Loan, means any such day on which dealings in deposits in Australian Dollars are conducted by and between banks in Sydney, Melbourne, New South Wales, Australia and Hong Kong;

(f) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency; and

(g) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan made to an Australian Borrower, any fundings, disbursements, settlements and payments in respect of any such Eurocurrency Rate Loan made to an Australian Borrower, or any other dealings with an Australian Borrower to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan made to an Australian Borrower, means any such day on which banks are open for business in Sydney, Australia.

"Canadian Borrowers" means UAP, any Designated Borrowers that are identified as Canadian Borrowers on Schedule 2.16 and any Canadian Subsidiary that becomes a Designated Borrower pursuant to Section 2.16 after the Closing Date.

"Canadian Dollar" and "CDN$" mean the lawful currency of Canada.

"Canadian L/C Issuer" means Bank of America, N.A., acting through its Canada branch, and any other Lender or any Affiliate of a Lender designated by the Borrowers (with notice of such designation to be provided by the Borrowers to the Administrative Agent) that has agreed to act as a Canadian L/C Issuer hereunder, and "Canadian L/C Issuer" means any one of the foregoing.

"Canadian Plans" shall mean all the pension plans, supplemental or otherwise, relating to the current or former employees, officers or directors of UAP and its Subsidiaries maintained, sponsored or funded by UAP or its Subsidiaries (as the case may be), whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered.

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

"Canadian Swing Line Lender" means Bank of America, acting through its Canada branch, in its capacity as provider of Canadian Swing Line Loans, or any successor swing line lender hereunder.

"Canadian Swing Line Loan" has the meaning specified in Section 2.04(b).

"Capital Lease Obligations" of any Person shall mean all obligations of such Person under leases that are required to be classified and accounted for as capital lease obligations under GAAP.

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the L/C Issuer or the Revolving Lenders, as collateral for L/C Obligations or obligations of the Revolving Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and the L/C Issuer shall agree in their sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to the Administrative Agent and the L/C Issuer. "Cash Collateral" and "Cash Collateralization" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means, as at any date, (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than twelve months from the date of acquisition, (b) Dollar denominated time deposits and certificates of deposit of (i) any Lender, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of $500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than two hundred seventy (270) days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody's and maturing within six months of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of $500,000,000 for direct obligations issued by or fully guaranteed by the United States in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least one hundred percent (100%) of the amount of the repurchase obligations and (e) Investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least $500,000,000 and the portfolios of which are limited to Investments of the character described in the foregoing clauses (a) through (d).

"CDOR" has the meaning specified in the definition of "Eurocurrency Base Rate".

"CDOR Rate" has the meaning specified in the definition of "Eurocurrency Base Rate".

"Certain Funds Default" means an Event of Default arising from any of the following (other than to the extent it relates to or arises in respect of the Target and its Subsidiaries): Section 9.01 (only as it relates to payment of principal, interest and fees), 9.02 (only with respect to Sections 7.01(a), 8.02, 8.03 and 8.14 and, in each case, solely with respect to the Company), 9.04 (only with respect to the Certain Funds Representations), 9.07 (solely with respect to the Company and excluding any involuntary proceedings caused by a frivolous or vexatious (and in either case, lacking merit) action, proceeding or petition in respect of which no order or decree shall have been entered) or 9.14 (solely with respect to the Company).

"Certain Funds Period" means the period commencing on the Closing Date and ending on the date on which a Mandatory Cancellation Event occurs or exists; provided that, for the avoidance of doubt, such

period will end on such date but immediately after the relevant Mandatory Cancellation Event occurs or first exists.

"Certain Funds Purposes" means (a) payment (directly or indirectly) of the cash price payable by the Company (or the "Purchaser" (as defined in the Target Acquisition Agreement)) to the "Sellers" (as defined in the Target Acquisition Agreement) in respect of the Target Acquisition, (b) financing (directly or indirectly) the fees, costs or expenses in respect of the Transactions and (c) repayment of the Existing Target Indebtedness and to the extent applicable, termination of hedging arrangements related thereto.

"Certain Funds Representations" means the following representations and warranties, in each case solely as they relate to the Company: Sections 6.01(i), (ii) and (iii), 6.02 (solely with respect to corporate power and authority), 6.03, 6.04 (only with respect to the Company's Organization Documents), 6.06(a), 6.07, 6.23, 6.25 and 6.27 (solely with respect to the use of Term Loan proceeds on the Term Loan Funding Date).

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided, that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change in Control" means and shall be deemed to occur on the earliest of, and upon any occurrence of, any of the following.

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), shall become the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) of more than thirty-five percent (35%) of the total capital stock of the Company entitled to vote for the election of directors; or

(b) at any time during any consecutive two-year period, individuals who at the beginning of such period constituted the board of directors of the Company (together with any new directors whose election by such board of directors or whose nomination for election by the stockholders of the Company was approved by a vote of fifty-one percent (51%) of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors of the Company then in office; or

(c) the Company ceases to own (directly or indirectly) one hundred percent (100%) of the outstanding shares of the voting stock of UAP and each Designated Borrower.

"Class" when used in reference to (a) any Loan, refers to whether such Loan, is a Term Loan, Revolving Loan or Swing Line Loan , (b) any Commitment, refers to whether such Commitment is an Term Loan Commitment or Revolving Commitment and (c) any Lender, refers to whether such Lender has a Loan

or Commitment of a particular Class. Additional Classes of Loans, Commitments and Lenders may be established pursuant to Sections 2.19 and 2.20.

"Closing Date" means the date hereof.

"Commitment" means, as to each Lender, the Revolving Commitment of such Lender or the Term Loan Commitment of such Lender.

"Commitment Fee" has the meaning specified in Section 2.09(a).

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*).

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

"Compliance Certificate" means a certificate substantially in the form of Exhibit 7.09.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated Companies" means, collectively, the Company and all of its Subsidiaries.

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period, plus, without duplication and (other than in the case of clauses (a)(viii) and (a)(ix)) to the extent deducted in determining such Consolidated Net Income, the sum of:

(a) (i) interest expense for such period,

(ii) provision for taxes based on income, profits or losses (whether paid, estimated or accrued), including foreign withholding taxes, and for corporate franchise, capital stock, net worth, value-added taxes and similar taxes (including penalties and interest, if any), in each case during such period,

(iii) all amounts attributable to depreciation, depletion and amortization (including amortization or impairment of intangible assets and properties) for such period (excluding amortization expense attributable to a prepaid cash expense that was paid in a prior period),

(iv) any extraordinary, unusual or nonrecurring losses or charges for such period (other than charges of the type described in clause (a)(xi) below),

(v) any Non-Cash Charges for such period; provided that any cash payment made with respect to any Non-Cash Charges added back in computing Consolidated EBITDA for any prior period pursuant to this clause (a)(v) shall be subtracted in computing Consolidated EBITDA for the period in which such cash payment is made,

(vi) any losses for such period attributable to early extinguishment of Indebtedness or obligations under any Swap Contract or other derivative instruments,

(vii) any unrealized losses for such period attributable to the application of "mark to market" accounting in respect of Swap Contracts or other derivative instruments,

(viii) any gain relating to Swap Contracts associated with transactions realized in the current period that has been reflected in Consolidated Net Income in prior periods and excluded from Consolidated EBITDA in such period pursuant to clause (c)(iv) below,

(ix) cash receipts in such period (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any prior period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (c) below for any previous period and were not added back,

(x) accruals and expenses (including rationalization, legal, tax, structuring and other costs and expenses) related to the Transactions, acquisitions or issuances of debt or equity permitted under the Credit Documents, whether or not consummated,

(xi) restructuring charges, accruals or reserves (including restructuring and integration costs related to acquisitions and closure of facilities and adjustments to existing reserves) whether or not classified as restructuring expense on the consolidated financial statements, in an aggregate amount not to exceed $55,000,000 for any period of four fiscal quarters,

(xii) losses on asset sales, disposals or abandonments (other than asset sales, disposals and abandonments in the ordinary course of business), and

(xiii) actual net losses resulting from discontinued operations, plus

(b) Pro Forma Adjustments in connection with acquisitions (including the Target Acquisition) consummated during such period and Initiatives commenced during such period; provided that (i) such Pro Forma Adjustments shall be calculated net of the amount of actual benefits realized and (ii) the aggregate amount of all amounts under this clause (b) that increase Consolidated EBITDA in any period shall not exceed, and shall be limited to, fifteen percent (15%) of Consolidated EBITDA in respect of such period (calculated before giving effect to such adjustments and all other adjustments to Consolidated EBITDA); and minus

(c) without duplication and to the extent included in determining such Consolidated Net Income:

(i) any extraordinary gains for such period,

(ii) any non-cash gains for such period, including with respect to write-ups of assets or goodwill,

(iii) any gains attributable to the early extinguishment of Indebtedness or obligations under any Swap Contract,

(iv) any unrealized gains for such period attributable to the application of "mark to market" accounting in respect of Swap Contracts,

(v) any loss relating to Swap Contracts associated with transactions realized in the current period that has been reflected in Consolidated Net Income in prior periods and included in Consolidated EBITDA in such period pursuant to clause (a)(vii) above,

(vi) gains on asset sales, disposals or abandonments (other than asset sales, disposals and abandonments in the ordinary course of business), and

(vii) actual net gains resulting from discontinued operations;

provided, further that, Consolidated EBITDA for any period shall be calculated so as to exclude (without duplication of any adjustment referred to above) non-cash foreign translation gains and losses.

For purposes of calculating Consolidated EBITDA for any period to determine the Leverage Ratio, if during such period the Company or any Subsidiary shall have consummated an acquisition or any Initiative, Consolidated EBITDA for such period shall be calculated with respect to such period on a Pro Forma Basis, giving effect to such Initiative.

"Consolidated Net Income" means, for any period, the consolidated net income (or loss) of the Consolidated Companies, determined on a consolidated basis in accordance with GAAP; provided that Consolidated Net Income shall exclude (a) the net income of any Subsidiary during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Organization Documents or any agreement, instrument or Law applicable to such Subsidiary during such period (other than any restriction permitted under Section 8.05), except that the Company's equity in any net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income and (b) any income (or loss) for such period of any Person if such Person is not a Subsidiary, except that the Company's equity in the net income of any such Person for such period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to any Consolidated Company as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary, such Subsidiary is not precluded from further distributing such amount to the Company as described in clause (a) of this proviso).

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto. Without limiting the generality of the foregoing, a Person shall be deemed to be Controlled by another Person if such other Person possesses, directly or indirectly, power to vote ten percent (10%) or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

"Credit Documents" means this Agreement, each Designated Borrower Request and Assumption Agreement, each Note, each Issuer Document, each Guarantor Joinder Agreement, any Incremental Facility Amendment, any Loan Modification Agreement, any Refinancing Amendment, any Additional Swing Line Facility Notice, any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 of this Agreement, the Agency Fee Letter and the Joint Fee Letter.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Debtor Relief Laws" means the Bankruptcy Code, 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 or other applicable jurisdictions from time to time in effect.

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

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) two percent (2%) per annum; provided, however, that with respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus two percent (2%) per annum, in each case to the fullest extent permitted by applicable Laws and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate plus two percent (2%) per annum.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Company in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the L/C Issuer, the applicable Swing Line Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Line Loans) within two (2) Business Days of the date when due, (b) has notified the Company, the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Company, 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 shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Company), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors 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 a capacity or (iii) become the subject of a Bail-In Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interests in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest 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. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Company, the L/C Issuer, the applicable Swing Line Lender and each other Lender promptly following such determination.

"Designated Borrower" has the meaning specified in the introductory paragraph hereto.

"Designated Borrower Notice" has the meaning specified in Section 2.16.

"Designated Borrower Request and Assumption Agreement" has the meaning specified in Section 2.16.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction.

"Designated Lender" has the meaning specified in Section 2.18.

"Disqualified Institutions" means, on any date, competitors of the Company and its Subsidiaries or the Target or its Subsidiaries, in each case identified by name in writing by the Company to the Administrative Agent and the Lenders (by posting such notice on the Platform) (or an affiliate of such competitor that is clearly identifiable solely on the basis of the similarity of its name) not less than three (3) Business Days prior to such date; provided that "Disqualified Institutions" shall exclude (and, for the avoidance of doubt, the restrictions set forth in Section 11.06(g) shall no longer apply to) any Person that the Company has designated as no longer being a "Disqualified Institution" by written notice delivered to the Administrative Agent and the Lenders (by posting such notice on the Platform); provided further that the foregoing shall not apply to any bona fide debt fund that is engaged in making, purchasing, holding or otherwise investing in commercial loans or similar extensions of credit in the ordinary course of business and for which no personnel involved with the relevant competitor or affiliate of a competitor (a) makes investment decisions or (b) has access to non-public information relating to the Company or its Subsidiaries.

"Dollar" and "$" mean lawful money of the United States.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

"Domestic Borrowers" means the Company, any Designated Borrowers that are identified as Domestic Borrowers on Schedule 2.16 and any Domestic Subsidiary that becomes a Designated Borrower pursuant to Section 2.16 after the Closing Date.

"Domestic Loan Party" means any Domestic Borrowers and any Guarantor that is a Domestic Subsidiary.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any state of the United States or the District of Columbia.

"Domestic Swing Line Lender" means Bank of America in its capacity as provider of Domestic Swing Line Loans, or any successor swing line lender hereunder.

"Domestic Swing Line Loan" has the meaning specified in Section 2.04(a).

"DQ List" has the meaning specified in Section 11.06(g)(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 delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)). For the avoidance of doubt, any Disqualified Institution is subject to Section 11.06(g).

"Eligible Currency" means any lawful currency other than Dollars that is readily available, freely transferable and convertible into Dollars in the international interbank market available to the Revolving Lenders in such market and as to which a Dollar Equivalent may be readily calculated. If, after the designation of any currency as an Alternative Currency, any change in currency controls or exchange regulations or any change in the national or international financial, political or economic conditions are imposed in the country in which such currency is issued, result in, in the reasonable opinion of the Administrative Agent, the Required Revolving Lenders (in the case of any Revolving Loans to be denominated in such currency), the applicable Swing Line Lender (in the case of any Swing Line Loan to be denominated in such currency) or the L/C Issuer (in the case of any Letter of Credit to be denominated in such currency), (a) such currency no longer being readily available, freely transferable and convertible into Dollars, (b) a Dollar Equivalent is no longer readily calculable with respect to such currency, (c) providing the applicable Credit Extension in such currency is impracticable for the Revolving Lenders, the L/C Issuer or the applicable Swing Line Lender, as applicable, or (d) such currency no longer being a currency in which the Required Revolving Lenders, the L./C Issuer or the applicable Swing Line Lender, as applicable, are willing to make such Credit Extensions (each of (a), (b), (c), and (d) a "Disqualifying Event"), then the Administrative Agent shall promptly notify the Revolving Lenders and the Borrowers, and such country's currency shall no longer be an Alternative Currency or a currency otherwise available for Swing Line Loans until such time as the Disqualifying Event(s) no longer exist. Within five (5) Business Days after receipt of such notice from the Administrative Agent, the Borrowers shall repay all Loans in such currency to which the Disqualifying Event applies or convert such Loans into the Dollar Equivalent of Loans in Dollars, subject to the other terms contained herein.

"EMU" means the economic and monetary union in accordance with the Treaty of Rome 1957, as amended by the Single European Act 1986, the Maastricht Treaty of 1992 and the Amsterdam Treaty of 1998.

"EMU Legislation" means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

"Environmental Laws" means any and all federal, state, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment

or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Company, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Substances, (c) exposure to any Hazardous Substances, (d) the release or threatened release of any Hazardous Substances into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

"Escrow Account" means any account established for the purpose of depositing funds prior to their being applied towards Certain Funds Purposes.

"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.

"Euro" and "EUR" mean the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

"Eurocurrency Base Rate" means:

(a) for any Interest Period with respect to a Eurocurrency Rate Loan:

(i) in the case of a Eurocurrency Rate Loan denominated in a LIBOR Quoted Currency, the rate per annum equal to the London Interbank Offered Rate or a successor thereto as approved by the Administrative Agent ("LIBOR"), as published on the applicable Bloomberg screen page (or such other commercially available source providing quotations of LIBOR as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, on the Rate Determination Date, for deposits in the relevant currency, with a term equivalent to such Interest Period;

(ii) in the case of a Eurocurrency Rate Loan denominated in Canadian Dollars, the rate per annum equal to the Canadian Dealer Offered Rate ("CDOR"), or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "CDOR Rate") at or about 10:00a.m. (Toronto, Ontario time) on the Rate Determination Date with a term equivalent to such Interest Period;

(iii) in the case of a Eurocurrency Rate Loan denominated in Australian Dollars, the rate per annum equal to the Bank Bill Swap Reference Bid Rate ("BBSY"), or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:30 a.m. (Melbourne, Australia time) on the Rate Determination Date with a term equivalent to such Interest Period (or if such Interest Period is not equal to a number of months, with a term equivalent to the number of months closest to such Interest Period);

(iv) in the case of a Eurocurrency Rate Loan denominated in New Zealand Dollars, the rate per annum equal to the Bank Bill Reference Bid Rate ("BKBM"), or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:45 a.m. (Auckland, New Zealand time) on the Rate Determination Date with a term equivalent to such Interest Period (or if such Interest Period is not equal to a number of months, with a term equivalent to the number of months closest to such Interest Period);

(v) in the case of any other Eurocurrency Rate Loan denominated in a Non-LIBOR Quoted Currency, the rate designated with respect to such Alternative Currency at the time such Alternative Currency is approved by the Administrative Agent and the Revolving Lenders pursuant to Section 1.06(a); and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time determined two (2) Business Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one (1) month commencing that day; and

(c) for all Non-LIBOR Quoted Currencies, the calculation of the applicable reference rate shall be determined in accordance with market practice;

provided that (i) to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the

Administrative Agent and (ii) if the Eurocurrency Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Eurocurrency Rate" means for any Interest Period with respect to a Eurocurrency Rate Loan, a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{Eurocurrency Rate} = \frac{\text{Eurocurrency Base Rate}}{1.00 - \text{Eurocurrency Reserve Percentage}}$$

"Eurocurrency Rate Loan" means a Loan that bears interest at a rate based on the Eurocurrency Rate. Eurocurrency Rate Loans may be denominated in Dollars or in an Alternative Currency. All Loans denominated in an Alternative Currency or made to a Foreign Borrower must be Eurocurrency Rate Loans.

"Eurocurrency Reserve Percentage" means, for any day during any Interest Period, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities"). The Eurocurrency Rate for each outstanding Eurocurrency Rate Loan shall be adjusted automatically as of the effective date of any change in the Eurocurrency Reserve Percentage.

"Event of Default" has the meaning specified in Article IX.

"Excluded Domestic Subsidiary" means (a) a Domestic Subsidiary substantially all the assets of which consist of Equity Interests of Foreign Subsidiaries or (b) a Domestic Subsidiary that is a direct or indirect Subsidiary of a "controlled foreign corporation" within the meaning of the Code.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant under a Credit Document by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 4.08 hereof and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or security interest becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (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) in the case of a Lender, U.S. Federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest

in the Loan or Commitment (other than pursuant to an assignment request by the Company under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that pursuant to Section 3.01(a)(ii), (a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding taxes imposed under FATCA. Notwithstanding anything to the contrary contained in this definition, "Excluded Taxes" shall not include any withholding tax imposed at any time on payments made by or on behalf of a Foreign Borrower to any Lender hereunder or under any other Credit Document, provided that such Lender shall have complied with Section 3.01(e).

"Executive Officer" means (i) any of the Chief Executive Officer, Chief Financial Officer, Senior Vice President and Treasurer, Treasurer or Senior Vice President of Finance of the applicable Loan Party or any other officer of such Loan Party who assumes the duties and responsibilities of any of the foregoing officers, (ii) solely for purposes of the delivery of incumbency certificates pursuant to Section 5.01 and the Target Acquisition Documents pursuant to Section 5.01(g), the secretary or any assistant secretary of a Loan Party, and (iii) solely for purposes of notices given pursuant to Article II, any other officer of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by an Executive Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Executive Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the extent requested by the Administrative Agent, each Executive Officer will provide an incumbency certificate and to the extent requested by the Administrative Agent, appropriate authorization documentation, in form and substance satisfactory to the Administrative Agent.

"Existing Credit Agreement" means that certain Syndicated Facility Agreement dated as of September 11, 2012 (as amended by that certain First Amendment and Consent dated June 11, 2013 and that certain Second Amendment to Syndicated Facility Agreement dated June 19, 2015) among the Borrowers, the guarantors identified therein, the lenders from time to time party thereto and Bank of America, as administrative agent.

"Existing Letters of Credit" means the letters of credit and letters of guarantee described on Schedule 1.01.

"Existing Senior Notes" means (i) the 2.99% Series F Senior Promissory Notes due December 2, 2023 issued under the Note Purchase Agreement, dated as of August 19, 2013, among the Company and the purchasers listed therein, (ii) the 2.39% Series G Senior Notes due July 29, 2021 issued under the Note Purchase Agreement, dated as of July 29, 2016, among the Company and the purchasers listed therein and (iii) the 2.99% Series H Senior Notes due November 30, 2026 issued under the Note Purchase Agreement, dated as of October 17, 2016, among the Company and the purchasers listed therein.

"Existing Target Indebtedness" means (a) the Revolving Facility Agreement dated as of November 6, 2014 (as amended, restated, amended and restated, supplemented, increased or otherwise modified from time to time) among Alize Bidco Limited, The Royal Bank of Scotland PLC, as Agent and Security Agent and the lenders party thereto, (b) the Indenture (as amended, restated, amended and restated, supplemented, increased or otherwise modified from time to time) dated as of November 19, 2014, among Alliance Automotive Finance plc (formerly, Alize Finco PLC), as the Issuer, Alize Midco Limited, Alize Bidco Limited, Wilmington Trust, National Association, as Trustee and The Royal Bank of Scotland PLC, as

Security Agent, relating to (i) the Euro-denominated 6.25% Senior Secured Notes due December 1, 2021 and (ii) the Euro-denominated Floating Rate Senior Secured Notes due December 1, 2021, and (c) the syndicated loan facilities of Coler GmbH & Co. KG in an aggregate principal amount of up to €60,000,000 (to the extent that the Company elects to repay such loan facilities).

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one-one hundredth of one percent (1/100 of 1%)) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

"Foreign Borrowers" means UAP, any Designated Borrowers that are identified as Foreign Borrowers on Schedule 2.16 and any Foreign Subsidiary that becomes a Designated Borrower pursuant to Section 2.16 after the Closing Date.

"Foreign Lender" means with respect to any Borrower, any Lender that is organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes (including such a Lender when acting in the capacity of the L/C Issuer). For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Plan" means any pension, profit sharing, deferred compensation, or other employee benefit plan, program or arrangement maintained by any Foreign Subsidiary which, under applicable local law, is required to be funded through a trust or other funding vehicle.

"Foreign Subsidiary" means each Subsidiary that is organized under the laws of a jurisdiction other than any state of the United States or the District of Columbia.

"Foreign Swing Line Lenders" means the Australian Swing Line Lender, the Canadian Swing Line Lender and each Additional Swing Line Lender. The term "Foreign Swing Line Lender" when used with respect to a Foreign Swing Line Loan shall refer to the Foreign Swing Line Lender that made such Foreign Swing Line Loan.

"Foreign Swing Line Loans" means Australian Swing Line Loans, Canadian Swing Line Loans and Additional Swing Line Loans.

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

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to the L/C Issuer, such Defaulting Lender's Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof and (b) with respect to any Swing Line

Lender, such Defaulting Lender's Applicable Percentage of the applicable Swing Line Loans other than any such Swing Line Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"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 activities.

"GAAP" means generally accepted accounting principles in the United States 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, consistently applied and as in effect from time to time.

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

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning. Notwithstanding the foregoing, inventory buy-back programs will not be considered to be Guarantees.

"Guaranteed Party Designation Notice" means a notice from any Lender or an Affiliate of a Lender substantially in the form of Exhibit 1.01.

"Guarantor Joinder Agreement" means a joinder agreement substantially in the form of Exhibit 7.13 executed and delivered by a Domestic Subsidiary in accordance with the provisions of Section 7.13.

"Guarantors" means (a) each Domestic Subsidiary of the Company (other than an Excluded Domestic Subsidiary) identified as a "Guarantor" on the signature pages hereto and each other Person that joins as a Guarantor pursuant to Section 7.13, (b) with respect to the obligations of any Subsidiary under (i) any Swap Contract between any Swap Bank and any Subsidiary, (ii) any Treasury Management Agreement between

any Treasury Management Bank and any Subsidiary, or (iii) the payment and performance by each Specified Loan Party of its obligations under the Guaranty with respect to all Swap Obligations, the Company, (c) with respect to the Obligations of the Foreign Borrowers, the Domestic Borrowers and (d) the successors and permitted assigns of the foregoing.

"Guaranty" means the Guaranty made by the Guarantors in favor of the Administrative Agent, the Lenders and the other holders of the Obligations pursuant to Article IV.

"Hazardous Substances" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Honor Date" has the meaning set forth in Section 2.03(c)(i).

"IFRS" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

"Incremental Facility" has the meaning specified in Section 2.20.

"Incremental Facility Amendment" means an amendment to this Agreement among the Company, the Incremental Lenders and the Administrative Agent establishing an Incremental Facility and effecting such other amendments hereto and to the other Credit Documents as are contemplated by Section 2.20.

"Incremental Lender" means, with respect to any Incremental Facility, each Person that provides a commitment to such Incremental Facility.

"Incremental Revolving Facility" has the meaning specified in Section 2.20.

"Incremental Term Facility" has the meaning specified in Section 2.20.

"Indebtedness" of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money regardless of maturity including all revolving and term indebtedness and all other lines of credit; (b) all indebtedness of such Person whether or not in any such case the same was for money borrowed and regardless of maturity: (i) represented by notes payable, and drafts accepted, that represent extensions of credit, (ii) constituting obligations evidenced by bonds, debentures, notes, bankers' acceptances or similar instruments, or (iii) constituting purchase money indebtedness, conditional sales contracts, title retention debt instruments or similar instruments upon which interest charges are customarily paid or that are issued or assumed as full or partial payments for property; (c) all Capital Lease Obligations of such Person; (d) all reimbursement obligations under any standby, trade, or other letters of credit or acceptances (whether or not drawings thereunder have been then presented for payment) issued for the account of any such Person or under which such Person is otherwise obligated; (e) any liquidity facility supporting any receivables or other asset securitization program (whether or not drawings thereunder are outstanding) and (f) any guaranty or other contingent obligation in respect of any obligation described in clauses (a) through (e) above. Notwithstanding the foregoing, any and all drafts issued under the Vendor Program shall be deemed to be excluded for all purposes from the definition of "Indebtedness".

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

"Indemnitees" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Initiative" means any Specified Transaction, restructuring, business optimization activity, cost savings initiative or other similar initiative (including restructuring charges and any charges and expenses incurred in connection with capital expenditures for future expansion and business optimization projects).

"Interest Payment Date" means (a) as to any Eurocurrency Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurocurrency Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan (including a Swing Line Loan bearing interest by reference to the Base Rate), the last Business Day of each March, June, September and December and the Maturity Date.

"Interest Period" means as to each Eurocurrency Rate Loan, the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date seven (7) days or one (1), two (2), three (3) or six (6) months thereafter (to the extent available in the applicable currency), as selected by the applicable Borrower in its Loan Notice, or such other period that is twelve months or less requested by the applicable Borrower and consented to by all of the relevant Lenders; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurocurrency Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Eurocurrency Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period with respect to any Loan shall extend beyond the Maturity Date for such Loan.

"Internal Revenue Code" means the Internal Revenue Code of 1986.

"Internal Revenue Service" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and the Company (or any Subsidiary) or in favor of the L/C Issuer and relating to any such Letter of Credit.

"Joint Fee Letter" means the letter agreement, dated as of October 2, 2017, between the Company, Bank of America, MLPFS and JPMorgan Chase Bank, N.A.

"Joint Lead Arrangers" means each of MLPFS, JPMorgan Chase Bank, N.A., SunTrust Robinson Humphrey, Inc. and Wells Fargo Securities, LLC, each in its capacity as a joint lead arranger and joint bookrunners.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes 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.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage. All L/C Advances shall be denominated in Dollars.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing of Revolving Loans. All L/C Borrowings shall be denominated in Dollars.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means (a) Bank of America (through itself or through one of its designated Affiliates or branch offices), (b) any Revolving Lender that is the issuer of one or more Existing Letters of Credit solely with respect to such Existing Letters of Credit, (c) any other willing Revolving Lender (through itself or one of its designated Affiliates or branch offices) selected by the Company and reasonably acceptable to the Administrative Agent, as acknowledged and agreed in writing among such Revolving Lender, the Company and the Administrative Agent and/or (d) any Canadian L/C Issuer, in each case in its capacity as issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder. The term "L/C Issuer" when used with respect to a Letter of Credit or the L/C Obligations relating to a Letter of Credit shall refer to the L/C Issuer that issued such Letter of Credit.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lenders" means each of the Persons identified as a "Lender" on the signature pages hereto, each other Person that becomes a "Lender" in accordance with this Agreement (including Incremental Lenders) and their successors and assigns and, as the context requires, includes the Swing Line Lenders. The term "Lender" shall include any Designated Lender.

"Lending Office" means, as to the Administrative Agent, the L/C Issuer or any Lender, the office or offices of such Person described as such in such Person's Administrative Questionnaire, or such other office or offices as such Person may from time to time notify the Borrowers and the Administrative Agent; which office may include any Affiliate of such Person or any domestic or foreign branch of such Person or such Affiliate.

"Letter of Credit" means any letter of credit issued hereunder providing for the payment of cash upon the honoring of a presentation thereunder and shall include the Existing Letters of Credit. A Letter of Credit may be issued in Dollars or in an Alternative Currency and may be either a commercial letter of credit or a standby letter of credit.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a letter of credit in the form from time to time in use by the L/C Issuer.

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means (a) with respect to Letters of Credit issued by Bank of America in its capacity as L/C Issuer (including Bank of America, acting through its Canada branch, in its capacity as a Canadian L/C Issuer), an amount equal to the lesser of (i) the Aggregate Revolving Commitments and (ii) $150,000,000 and (b) with respect to Letters of Credit issued by any Canadian L/C Issuer (other than Bank of America, acting through its Canada branch), an amount equal to the lesser of (i) the Aggregate Revolving Commitments and (ii) $10,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"Leverage Ratio" means, as of any date of determination,

(a) prior to the Term Loan Funding Date, the ratio of (i) Total Funded Debt as of such date to (ii) Total Capitalization as of such date; and

(b) on and after the Term Loan Funding Date, the ratio of (i) Total Funded Debt as of such date to (ii) Consolidated EBITDA for the period of four consecutive fiscal quarters of the Company then ended.

"LIBOR" means as specified in the definition of "Eurocurrency Base Rate."

"LIBOR Quoted Currency" means each of the following currency: Dollars; Euro; Sterling; and Yen; in each case as long as there is a published LIBOR rate with respect thereto.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Limited Condition Transaction" means any (a) acquisition or other investment permitted hereunder by one or more Consolidated Companies whose consummation is not conditioned on the availability of, or on obtaining, third-party financing and (b) any redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness requiring irrevocable notice in advance of such redemption, repurchase, defeasance, satisfaction and discharge or repayment and, in the case of each of (a) and (b), is designated as a Limited Condition Transaction by the Company in writing to the Administrative Agent.

"LCT Test Date" means, with respect to a Limited Condition Transaction, the date of the definitive agreement (or other relevant definitive documentation) for such Limited Condition Transaction.

"Loan" means an extension of credit by a Lender to a Borrower pursuant to this Agreement in the form of a Revolving Loan, Term Loan or Swing Line Loan.

"Loan Modification Agreement" means a Loan Modification Agreement among the Borrowers, the Accepting Lenders and the Administrative Agent effecting one or more Permitted Amendments and such other amendments hereto and to the other Credit Documents as are contemplated by Section 2.19.

"Loan Modification Offer" has the meaning set forth in Section 2.19(a).

"Loan Notice" means a notice of (a) a Borrowing of Revolving Loans or the Term Loan, (b) a conversion of Loans from one Type to the other, or (c) a continuation of Eurocurrency Rate Loans, in each case pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit 2.02 or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by an Executive Officer of the Company.

"Loan Parties" means, collectively, the Company, UAP, each Guarantor and each Designated Borrower.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurocurrency market.

"Long Stop Date" means the earlier of (a) March 30, 2018 and (b) the "Completion" (as defined in the Target Acquisition Agreement) of the Target Acquisition with or without the use of proceeds from the Term Loan.

"Mandatory Cancellation Event" means the occurrence of any of the following conditions or events: (a) the Long Stop Date or (b) the termination of the Target Acquisition Agreement in accordance with its terms.

"Margin Regulations" means Regulation T, Regulation U and Regulation X of the Board of Governors of the Federal Reserve System, as the same may be in effect from time to time.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Materially Adverse Effect" means (a) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Company and its Subsidiaries taken as a whole; (b) a material impairment of the rights and remedies of the Administrative Agent or any Lender under any Credit Document, or of the ability of any Loan Party to perform its obligations under any Credit Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Credit Document to which it is a party.

"Material Company" means (a) each Borrower and (b) each other Consolidated Company that has assets with an Asset Value equal to or greater than twenty percent (20%) of the aggregate Asset Value of all assets of the Consolidated Companies measured on a consolidated basis.

"Material Contractual Obligation" of any Person means any provision of any security issued by such Person or of any agreement, instrument or undertaking under which such Person is obligated or by which it or any of the property owned by it is bound where a failure to comply with such provision, agreement, instrument or undertaking has or would reasonably be expected to have a Materially Adverse Effect.

"Maturity Date" means (a) prior to the Term Loan Funding Date, June 18, 2022, and (b) on and after the Term Loan Funding Date, October 30, 2022; provided, however, that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Minimum Collateral Amount" means, at any time, (i) with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to one hundred percent (100%) of the Fronting Exposure of the L/C Issuer with respect to Letters of Credit issued and outstanding at such time, (ii) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with the provisions of Section 2.14(a)(i), (a)(ii) or (a)(iii), an amount equal to one hundred percent (100%) of the Outstanding Amount of all L/C Obligations, and (iii) otherwise, an amount determined by the Administrative Agent and the L/C Issuer in their sole discretion.

"MLPFS" means Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), in its capacity as a joint lead arranger and joint bookrunner.

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

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

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Company or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"New Senior Notes" means (i) the $120,000,000 Series I Senior Notes due October 30, 2027 issued by the Company, (ii) the €225,000,000 Series J Senior Notes due October 30, 2024 issued by the Company, (iii) the €250,000,000 Series K Senior Notes due October 30, 2027 issued by the Company, (iv) the €125,000,000 Series L Senior Notes due October 30, 2029 issued by the Company and (v) the €100,000,000 Series M Senior Notes due October 30, 2032 issued by the Company.

"New Zealand Dollar" and "NZD$" mean the lawful currency of New Zealand.

"Non-Cash Charges" means any non-cash charges, including (a) any write-off for impairment of long lived assets (including goodwill, intangible assets and fixed assets such as property, plant and equipment), or of deferred financing fees or investments in debt and equity securities, in each case, pursuant to GAAP, (b) non-cash expenses resulting from the grant of stock options, restricted stock awards or other equity-based incentives to any director, officer or employee of the Company or any Subsidiary (excluding, for the avoidance of doubt, any cash payments of income taxes made for the benefit of any such Person in consideration of the surrender of any portion of such options, stock or other incentives upon the exercise or vesting thereof), (c) any non-cash charges resulting from (i) the application of purchase accounting or (ii) investments in minority interests in a Person, to the extent that such investments are subject to the equity method of accounting; provided that Non-Cash Charges shall not include additions to bad debt reserves or bad debt expense and any noncash charge that results from the write-down or write-off of accounts receivable, (d) the non-cash impact of accounting changes or restatements, (e) non-cash charges and expenses resulting from pension adjustments and (f) any non-cash expenses and costs that result from the issuance of stock-

based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (ii) has been approved by the Required Lenders.

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

"Non-LIBOR Quoted Currency" means any currency other than a LIBOR Quoted Currency.

"Note" has the meaning specified in Section 2.11(a).

"Notice of Loan Prepayment" means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit 2.05 or such other form as may be reasonably approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by an Executive Officer.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Credit Document or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. The foregoing shall also include (a) all obligations under any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank and (b) all obligations under any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank; provided, that Obligations of a Guarantor shall exclude any Excluded Swap Obligations of such Guarantor.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization 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 or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Commitments" means Other Revolving Commitments and/or Other Term Loan Commitments.

"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 Credit Document, or sold or assigned an interest in any Loan or Credit Document).

"Other Loans" means one or more Classes of Other Revolving Loans and/or Other Term Loans that result from a Refinancing Amendment.

"Other Revolving Commitments" means one or more Classes of revolving commitments hereunder that result from a Refinancing Amendment.

"Other Revolving Loans" means one or more Classes of revolving loans that result from a Refinancing Amendment.

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"Other Term Loan Commitments" means one or more Classes of term loan commitments hereunder that result from a Refinancing Amendment.

"Other Term Loans" means one or more Classes of term loans that result from a Refinancing Amendment.

"Outstanding Amount" means (a) with respect to any Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of any Loans occurring on such date; and (b) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Company of Unreimbursed Amounts.

"Overnight Rate" means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in an Alternative Currency, an overnight rate determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"Participant" has the meaning specified in Section 11.06(d).

"Participant Register" has the meaning specified in Section 11.06(d).

"Participating Member State" means each state so described in any EMU Legislation.

"Patriot Act" has the meaning specified in Section 11.17.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Company and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to minimum funding standards under Section 412 of the Internal Revenue Code.

"Permitted Amendment" means an amendment to this Agreement and the other Credit Documents, effected in connection with a Loan Modification Offer pursuant to Section 2.19, providing for an extension of the Maturity Date and/or amortization applicable to the Loans and/or Commitments of the Accepting Lenders of a relevant Class and, in connection therewith, may also provide for (a)(i) a change in the Applicable Rate with respect to the Loans and/or Commitments of the Accepting Lenders subject to such Permitted Amendment and/or (ii) a change in the fees payable to, or the inclusion of new fees to be payable to, the Accepting Lenders in respect of such Loans and/or Commitments, (b) in the case of the Term Loan, changes to any prepayment premiums with respect to the applicable Loans and Commitments of a relevant Class, (c) such amendments to this Agreement and the other Credit Documents as shall be appropriate, in the reasonable judgment of the Administrative Agent, to provide the rights and benefits of this Agreement and other Credit Documents to each new "Class" of loans and/or commitments resulting therefrom and (d) additional amendments to the terms of this Agreement applicable only to the applicable Loans and/or Commitments of the Accepting Lenders that either (i) are less favorable to such Accepting Lenders than the terms of this Agreement prior to giving effect to such Permitted Amendments or (ii) only apply after the latest Maturity Date in effect immediately prior to giving effect to such Permitted Amendments and, in each case, that are reasonably acceptable to the Administrative Agent.

"Permitted Liens" means, at any time, Liens in respect of property of any Loan Party or any of its Subsidiaries permitted to exist at such time pursuant to the terms of Section 8.02.

"Permitted Refinancings" means, with respect to any Indebtedness, any refinancing thereof; provided that the principal amount of such refinancing Indebtedness shall not exceed the principal amount of the Indebtedness being refinanced plus the amount of accrued and unpaid interest of the refinanced Indebtedness and fees, expenses and premiums payable in connection with such refinancing Indebtedness.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Company or any ERISA Affiliate or any such Plan to which the Company or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 7.09.

"Post-Transaction Period" means, (a) with respect to any Specified Transaction, the period beginning on the date such Specified Transaction is consummated and ending on the last day of the fourth full consecutive fiscal quarter immediately following the date on which such Specified Transaction is consummated and (b) with respect to any other Initiative, the period beginning on the date on which such Initiative commences and ending on the last day of the fourth full consecutive fiscal quarter following the date on which such Initiative commences.

"PPS Law" means (a) the PPSA, (b) any regulation or subordinated legislation made under or corresponding to the PPSA; and (c) any amendment made at any time to any other legislation, regulation or subordinated legislation as a consequence of the PPSA or any regulation or subordinated legislation made under or corresponding to the PPSA.

"PPSA" means the Personal Property Securities Act 2009 (Cth).

"Pro Forma Adjustment" means, with respect to any Initiative, for any period, the pro forma increase or decrease (for the avoidance of doubt, net of any such increase or decrease actually realized) in Consolidated

EBITDA (including the portion thereof attributable to any assets (including Equity Interests) sold or acquired) from cost savings, operating expense reductions, business optimization projects and other cost synergies (in each case net of amounts actually realized and costs incurred to achieve the same), in each case, related to such Initiative that are reasonably identifiable, factually supportable and projected by the Company in good faith to result within the applicable Post-Transaction Period from actions taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Company) within (a) in the case of any Specified Transaction, the four full consecutive fiscal quarters after the date of consummation of such Specified Transaction and (b) in the case of any other Initiative, four full consecutive fiscal quarters after commencement of such Initiative, as applicable; provided that, the cost savings and synergies related to such actions or such additional costs, as applicable, may be assumed, for purposes of projecting such pro forma increase or decrease to such Consolidated EBITDA to be realized on a "run-rate" basis during the entirety, or, in the case of, additional costs, as applicable, to be incurred during the entirety of any fiscal quarters of the Company included in such period; provided further that any such pro forma increase or decrease to Consolidated EBITDA shall be (i) without duplication for cost savings, synergies or additional costs already included in EBITDA for such period and (ii) made in any fiscal quarter that does not commence after the Post-Transaction Period.

"Pro Forma Basis" and "Pro Forma Compliance" means, with respect to compliance with any test or covenant hereunder required by the terms of this Agreement to be made on a Pro Forma Basis, that (a) to the extent applicable, the Pro Forma Adjustment shall have been made (subject, for the avoidance of doubt, to the limitations set forth in clause (b) of the definition of the term "Consolidated EBITDA") and (b) all Initiatives or the following transactions in connection therewith shall be deemed to have occurred as of (or commencing with) the first day of the applicable period of measurement in such test or covenant: (i) income statement items (whether positive or negative) attributable to the property or Person subject to such Initiative (A) in the case of a disposition of all or substantially all Equity Interests in any Subsidiary or any division, product line, or facility used for operations of the Company or any of the Subsidiaries, shall be excluded, and (B) in the case of an acquisition or investment described in the definition of the term "Specified Transaction", shall be included, (ii) any prepayment, repayment, retirement, redemption or satisfaction of Indebtedness, and (iii) any Indebtedness incurred or assumed by the Company or any of the Subsidiaries in connection therewith; provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with (and subject to applicable limitations included in) the definition of the term "Consolidated EBITDA" and give effect to operating expense reductions that are (1) (x) directly attributable to such transaction, (y) expected to have a continuing impact on the Company and the Subsidiaries and (z) factually supportable or (2) otherwise consistent with the definition of the term "Pro Forma Adjustment.

"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.

"Public Lender" has the meaning specified in Section 7.09.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualified at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Rate Determination Date" means two (2) Business Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank

market, as determined by the Administrative Agent; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, then "Rate Determination Date" means such other day as otherwise reasonably determined by the Administrative Agent).

"Recipient" means the Administrative Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Refinancing Amendment" means an amendment to this Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Company executed by each of (a) the Loan Parties, (b) the Administrative Agent and (c) each Additional Lender and Lender that agrees to provide any portion of the Other Loans or Other Commitments being incurred or provided pursuant thereto, in accordance with Section 2.21.

"Register" has the meaning specified in Section 11.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Loans, a Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than fifty percent (50%) of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swing Line Lender therefor or the L/C Issuer, as the case may be, in making such determination.

"Required Revolving Lenders" means, at any time, Revolving Lenders having Revolving Credit Exposures representing more than fifty percent (50%) of the Revolving Credit Exposures of all Revolving Lenders. The Revolving Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Revolving Lenders at any time; provided that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Revolving Lender shall be deemed to be held by the Lender that is the Swing Line Lender therefor or the L/C Issuer, as the case may be, in making such determination.

"Requirement of Law" for any Person means the articles or certificate of incorporation and bylaws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation, or determination of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Revaluation Date" means (a) with respect to any Revolving Loan, each of the following: (i) each date of a Borrowing of a Eurocurrency Rate Loan denominated in an Alternative Currency, (ii) each date of a continuation of a Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (iii) such additional dates as the Administrative Agent shall determine or the Required Revolving Lenders shall require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such

Letter of Credit having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by the L/C Issuer under any Letter of Credit denominated in an Alternative Currency, (iv) in the case of the Existing Letters of Credit, the Closing Date, and (v) such additional dates as the Administrative Agent or the L/C Issuer shall determine or the Required Revolving Lenders shall require.

"Revolving Commitment" means, as to each Lender, its obligation to (a) make Revolving Loans to the Company pursuant to Section 2.01, (b) purchase participations in L/C Obligations and (c) purchase participations in Swing Line Loans, 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 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including as such amount may be increased on the Term Loan Funding Date pursuant to Section 2.06(a)).

"Revolving Credit Exposure" means, as to any Revolving Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Revolving Lender's participation in L/C Obligations and Swing Line Loans at such time.

"Revolving Lender" means, at any time, (a) so long as any Revolving Commitment is in effect, any Lender that has a Revolving Commitment at such time, or (b) if the Revolving Commitments have terminated or expired, any Lender that has Revolving Credit Exposure.

"Revolving Loan" has the meaning specified in Section 2.01(b).

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

"Same Day Funds" means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

"Sanctions" means any international economic sanction administered or enforced by the United States Government (including without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury, the Australian Department of Foreign Affairs and Trade or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Shareholders' Equity" shall mean, as at any date of determination, shareholders' equity of the Consolidated Companies determined on a consolidated basis in conformity with GAAP, excluding any pension and other post-retirement benefits liability adjustments recorded as a component of other comprehensive income in accordance with GAAP.

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

"Specified Acquisition Agreement Representations" means with respect to any acquisition or other investment permitted hereunder, such of the representations and warranties made by, or with respect to, the applicable entity to be acquired and its Subsidiaries in the applicable acquisition or investment agreement as are material to the interests of the lenders providing the Incremental Facility, but only to the extent that the Company (or its applicable Affiliates) have the right to terminate its (or their) obligations under such agreement or to decline to consummate such transaction as a result of a breach of any one or more of such representations and warranties in such agreement.

"Specified Loan Party" has the meaning specified in Section 4.08.

"Specified Representations" means the following representations and warranties, in each case solely as they relate to the Loan Parties: Sections 6.01(i), (ii) and (iii), 6.02 (solely with respect to corporate power and authority), 6.03, 6.04 (only with respect to the Organization Documents of the Loan Parties), 6.06(a), 6.07, 6.18 (as of the date of the applicable Incremental Term Facility with respect to the incurrence of such Incremental Term Facility), 6.23, 6.25 and 6.27 (solely with respect to the use of the proceeds of such Incremental Facility on the funding date).

"Specified Transaction" means, with respect to any period, any investment, acquisition, disposition, incurrence, assumption or repayment of Indebtedness (including the incurrence of Incremental Term Facilities) or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"Spot Rate" for a currency means the rate determined by the Administrative Agent or the L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or the L/C Issuer may obtain such spot rate from another financial institution designated by the Administrative Agent or the L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that the L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.

"Sterling" and "£" mean 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 Voting Stock is 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.

"Swap Bank" means (a) any Person that is a Lender or an Affiliate of a Lender at the time that it becomes a party to a Swap Contract with any Loan Party or any Subsidiary and (b) any Lender on the Closing Date or Affiliate of such Lender that is party to a Swap Contract with any Loan Party or any Subsidiary in existence on the Closing Date; provided, however, that for any Swap Bank to obtain the benefits of Section 9.15 or the Guaranty on any date of determination by the Administrative Agent, the applicable Swap Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Guaranteed Party Designation Notice to the Administrative Agent prior to such date of determination.

"Swap Contract" 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.

"Swap Obligation" means with respect to any Guarantor to any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swing Line Lenders" means the Domestic Swing Line Lender and the Foreign Swing Line Lenders. The term "Swing Line Lender" when used with respect to a Swing Line Loan shall refer to the Swing Line Lender that made such Swing Line Loan.

"Swing Line Loans" means the Domestic Swing Line Loans and the Foreign Swing Line Loans.

"Swing Line Loan Notice" means a notice of a Borrowing of Swing Line Loans pursuant to Section 2.04(e) which shall be substantially in the form of Exhibit 2.04 or such other form as approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent pursuant), appropriately completed and signed by an Executive Officer of the applicable Borrower.

"Swing Line Sublimit" means an amount equal to the lesser of (a) $300,000,000 and (b) the Aggregate Revolving Commitments. The Swing Line Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"Synthetic Lease Obligations" means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing arrangement whereby the arrangement is considered borrowed money indebtedness for tax purposes but is classified as an operating lease or does not otherwise appear on a balance sheet under GAAP.

"Target" means, collectively, (a) Alize LuxCo 1 S.à r.l., a private limited liability company (société à responsabilité limitée) organized under the laws of the Grand Duchy of Luxembourg, with registered office at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 189378 and (b) Manalliance, a private limited liability company (société à responsabilité limitée) organized under the laws of the Grand Duchy of Luxembourg, with registered office at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 189559.

"Target Acquisition" means the Acquisition by the "Sellers" (as defined in the Target Acquisition Agreement) of all of the outstanding shares of the Target.

"Target Acquisition Agreement" means that certain Sale and Purchase Agreement relating to the Alliance Automotive group, dated September 22, 2017, by and between the sellers identified therein and GPC Europe Acquisition Co. Limited, a company registered in England and Wales with company number 1097301, with registered office at Suite 1, 3rd Floor 11-12 St James' Square, London, SW1Y 4LB, United Kingdom, as the purchaser thereunder, as in effect on the Closing Date.

"Target Acquisition Documents" means (a) the Target Acquisition Agreement and (b) the warranty agreement, dated September 22, 2017, between certain warrantors and the "Purchaser" (as defined in the Target Acquisition Agreement), in each case, as amended, modified and supplemented to the extent permitted hereunder.

"TARGET Day" means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

"Tax Act" means the Income Tax Assessment Act 1936 (Commonwealth of Australia).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Loan Commitment" means, as to each Lender, its obligation to make its portion of the Term Loan to a Borrower pursuant to Section 2.01(a) 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. The Term Loan Commitment of all of the Lenders on the Closing Date shall be One Billion One Hundred Million Dollars ($1,100,000,000).

"Term Loan" has the meaning specified in Section 2.01(a).

"Term Loan Funding Date" means the date of satisfaction of the conditions in Section 5.02 (for the avoidance of doubt, the parties hereto acknowledge that the Term Loan Funding Date and the Closing Date may be the same date).

"Total Capitalization" means, as of any date of determination, the sum of Total Funded Debt and Shareholders' Equity.

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments, Revolving Credit Exposure and Outstanding Amount of the Term Loan of such Lender at such time.

"Total Funded Debt" means, as of any date, the aggregate principal amount of Indebtedness of the Consolidated Companies on a consolidated basis outstanding as of such date, in the amount that would be reflected on a balance sheet prepared as of such date on a consolidated basis in accordance with GAAP, consisting of (a) Indebtedness for borrowed money, (b) all obligations (contingent or otherwise) under letters of credit, (c) the principal portion of obligations in respect of Capital Lease Obligations and (d) without duplication, Guarantees in respect of any Indebtedness described in the foregoing clauses (a) through (c).

"Total Revolving Outstandings" means the aggregate Outstanding Amount of all Revolving Loans, all Swing Line Loans and all L/C Obligations.

"Transactions" means, collectively, (a) the consummation of the Target Acquisition, (b) the repayment of Existing Target Indebtedness and to the extent applicable, termination of hedging arrangements related thereto and (c) the incurrence of Indebtedness under the New Senior Notes to finance the Target Acquisition and pay fees and expenses related thereto.

"Treasury Management Agreement" means any agreement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Treasury Management Bank" means (a) any Person that is a Lender or an Affiliate of a Lender at the time that it becomes a party to a Treasury Management Agreement with any Loan Party or any Subsidiary and (b) any Lender on the Closing Date or Affiliate of such Lender that is a party to a Treasury Management Agreement with any Loan Party or any Subsidiary in existence on the Closing Date; provided, however, that for any Treasury Management Bank to obtain the benefits of Section 9.15 or the Guaranty on any date of determination by the Administrative Agent, the applicable Treasury Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Guaranteed Party Designation Notice to the Administrative Agent prior to such date of determination.

"Type" means, with respect to any Loan, its character as a Base Rate Loan or a Eurocurrency Rate Loan.

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

"UCP" means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce ("ICC") Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(IV).

"Vendor Program" means any supplier receivables purchase program for the benefit of the Company or any of its Subsidiaries that is provided by a Lender.

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

"Write-Down and Conversion Powers" means, 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.

"Yen" and "¥" mean the lawful currency of Japan.

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Credit Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Credit Document, shall be construed to refer to such Credit Document in its entirety and not to any particular provision thereof, (iv) all references in a Credit Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Credit Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal property and tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) 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."

(c) Section headings herein and in the other Credit Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Credit Document.

1.03 Accounting Terms.

(a) Generally. Except as otherwise specifically prescribed herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) 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.

(b) Changes in GAAP. The Company will provide a written summary of material changes in GAAP and in the consistent application thereof with each annual and quarterly Compliance Certificate delivered in accordance with Section 7.09(c). If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Credit 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, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Company shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Without limiting the foregoing, leases shall continue to be classified and accounted for on a basis consistent with that reflected in the Audited Financial Statements for all purposes of this Agreement, notwithstanding any change in GAAP relating thereto, unless the parties hereto shall enter into a mutually acceptable amendment addressing such changes, as provided for above.

(c) FASB ASC 825 and FASB ASC 470-20 . Notwithstanding the above, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Company and its Subsidiaries shall be deemed to be carried at one hundred percent (100%) of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

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 Exchange Rates; Currency Equivalents.

(a) The Administrative Agent or the L/C Issuer, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Credit Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as applicable.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Eurocurrency Rate Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Borrowing, Eurocurrency Rate Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as applicable.

(c) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Eurocurrency Rate" or with respect to any comparable or successor rate thereto.

1.06 Additional Alternative Currencies.

(a) The Company may from time to time request that Eurocurrency Rate Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definition of "Alternative Currency;" provided that such requested currency is an Eligible Currency. In the case of any such request with respect to the making of Eurocurrency Rate Loans, such request shall be subject to the approval of the Administrative Agent and the Revolving Lenders; and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Administrative Agent and the L/C Issuer.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m., twenty (20) Business Days prior to the date of the desired Credit Extension (or such other time or date as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the L/C Issuer, in its or their sole discretion). In the case of any such request pertaining to Eurocurrency Rate Loans, the Administrative Agent shall promptly notify each Revolving Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify the L/C Issuer thereof. Each Revolving Lender (in the case of any such request pertaining to Eurocurrency Rate Loans) or the L/C Issuer (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m., ten (10) Business Days after receipt of such request whether it consents, in its sole discretion, to the making of Eurocurrency Rate Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Revolving Lender or the L/C Issuer, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Revolving Lender or the L/C Issuer, as the case may be, to permit Eurocurrency Rate Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the Revolving Lenders consent to making Eurocurrency Rate Loans in such requested currency, the Administrative Agent shall so notify the Company and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Borrowings of Eurocurrency Rate Loans; and if the Administrative Agent and the L/C Issuer consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Company and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Letter of Credit issuances. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.06, the Administrative Agent shall promptly so notify the Company. Any specified currency of an Existing Letter of Credit that is neither Dollars nor one of the Alternative Currencies specifically listed in the definition of "Alternative Currency" shall be deemed an Alternative Currency with respect to such Existing Letter of Credit only.

1.07 Change of Currency.

(a) Each obligation of the Borrowers to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

1.08 Times of Day.

Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

1.09 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

## ARTICLE II

## COMMITMENTS AND CREDIT EXTENSIONS

2.01 Loans and Commitments.

(a) Term Loan. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan") to the Company in Dollars in a single advance on the Term Loan Funding Date in a principal amount equal to the Term Loan Commitment of such Lender. Amounts repaid on the Term Loan may not be reborrowed. The Term Loan may consist of Base Rate Loans or Eurocurrency Rate Loans, or a combination thereof, as further provided herein.

(b) Revolving Loans. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make loans (each such loan, a "Revolving Loan") to any of the Borrowers in Dollars or in one or more Alternative Currencies from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Revolving Commitment; provided, however, that after giving effect to any Borrowing of Revolving Loans, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments and (ii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment. Within the limits of each Lender's Revolving Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01. Revolving Loans denominated in Dollars may be Base Rate Loans or Eurocurrency Rate Loans, or a combination thereof, as further provided herein. All Revolving Loans denominated in an Alternative Currency or made to a Foreign Borrower must be Eurocurrency Rate Loans.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the Borrowers' irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three (3) Business Days (or two (2) Business Days in the case of the advance of Revolving Loans on the Closing and the advance of the Term Loan on the Term Loan Funding Date) prior to the requested date of any Borrowing of, conversion to or continuation of, Eurocurrency Rate Loans denominated in Dollars or of any conversion of Eurocurrency Rate Loans denominated in Dollars to Base Rate Loans, (ii) four (4) Business Days (or five (5) Business Days in the case of the Special Notice Currency) prior to the requested date of any Borrowing or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies and (iii) on the requested date of any Borrowing of Base Rate Loans; provided, however, that if the Company wishes to request Eurocurrency Rate Loans having an Interest Period other than seven (7) days or one (1), two (2), three (3) or six (6) months in duration as provided in the definition of "Interest Period," the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. (i) four (4) Business Days prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Dollars, or (ii) five (5) Business Days (or six (6) Business Days in the case of a Special Notice Currency) prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies, whereupon the Administrative Agent shall give prompt notice to the relevant Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. Not later than 11:00 a.m., (i) three (3) Business Days before the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Dollars, or (ii) four (4) Business Days (or five (5) Business Days in the case of a Special Notice Currency) prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies, the Administrative Agent shall notify the Company (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the relevant Lenders. Each telephonic notice by the Company pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a Loan Notice. Each Borrowing of, conversion to or continuation of Eurocurrency Rate Loans shall be in a principal amount of $2,000,000 or a whole multiple of $1,000,000 in excess thereof (or, in connection with any conversion or continuation of the Term Loan, if less, the entire principal amount outstanding). Except as provided in Sections 2.03(c) and 2.04(f), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof (or, in connection with any conversion or continuation of the Term Loan, if less, the entire principal amount outstanding). Each Loan Notice (whether telephonic or written) shall specify (i) whether the Company is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Eurocurrency Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto, (vi) the currency of the Loans to be borrowed, and (vii) if applicable, the Designated Borrower. If the Company fails to specify a currency in a Loan Notice requesting a Borrowing, the Loans so requested shall be made in Dollars. If the Company fails to specify a Type of a Loan in a Loan Notice or if the Company fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to timely request a continuation of Loans denominated in an Alternative Currency, such Loans shall be continued as Eurocurrency Rate Loans in the original currency with an Interest Period of one month. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurocurrency Rate Loans. If the Company requests a Borrowing of, conversion to, or continuation of Eurocurrency Rate Loans in any Loan Notice, but fails to

specify an Interest Period, it will be deemed to have specified an Interest Period of one month. No Loan may be converted into or continued as a Loan denominated in a different currency, but instead must be prepaid in the original currency of such Loan and reborrowed in the other currency.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each relevant Lender of the amount (and currency) of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Company, the Administrative Agent shall notify each relevant Lender of the details of any automatic conversion to Base Rate Loans or continuation of Loans denominated in a currency other than Dollars, in each case as described in the preceding subsection. In the case of a Borrowing, each relevant Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office for the applicable currency not later than 1:00 p.m. in the case of any Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Loan in an Alternative Currency, in each case on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 5.03 (or, if such Borrowing is the initial Credit Extension, Section 5.02), the Administrative Agent shall make all funds so received available to the Company or the other applicable Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of such Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and acceptable to) the Administrative Agent by the Company; provided, however, that if, on the date the Loan Notice with respect to such Borrowing denominated in Dollars is given by the Company, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings and second, shall be made available to the Company as provided above.

(c) Except as otherwise provided herein, a Eurocurrency Rate Loan may be continued or converted only on the last day of the Interest Period for such Eurocurrency Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurocurrency Rate Loans (whether in Dollars or any Alternative Currency) without the consent of the Required Revolving Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurocurrency Rate Loans denominated in an Alternative Currency be prepaid, or redenominated into Dollars in the amount of the Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto.

(d) The Administrative Agent shall promptly notify the Company and the relevant Lenders of the interest rate applicable to any Interest Period for Eurocurrency Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Company and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than eight (8) Interest Periods in effect with respect to all Revolving Loans and three (3) Interest Periods in effect with respect to the Term Loan.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Revolving Lenders set forth in this Section

2.03, (1) from time to time on any Business Day during the period from the Closing Date until the date that is seven (7) days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day), to issue Letters of Credit denominated in Dollars or in one or more Alternative Currencies for the account of the Company or its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Revolving Lenders severally agree to participate in Letters of Credit issued for the account of the Company or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (y) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Company for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Company that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Company's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Company may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. Furthermore, each Revolving Lender acknowledges and confirms that it has a participation interest in the liability of the L/C Issuer under the Existing Letters of Credit in a percentage equal to its Applicable Percentage of the Revolving Loans. The Company's reimbursement obligations in respect of the Existing Letters of Credit, and each Revolving Lender's obligations in connection therewith, shall be governed by the terms of this Agreement.

(ii) The L/C Issuer shall not issue any Letter of Credit if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Revolving Lenders have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Maturity Date, unless all the Revolving Lenders have approved such expiry date or the Company has Cash Collateralized or otherwise secured its obligations with respect thereto to the satisfaction of the L/C Issuer in its sole discretion.

(iii) The L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing such Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose

upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, such Letter of Credit is in an initial stated amount less than $100,000 (or such lesser amount as may be agreed by the L/C Issuer in its sole discretion);

(D) except as otherwise agreed by the Administrative Agent and the L/C Issuer, such Letter of Credit is to be denominated in a currency other than Dollars or an Alternative Currency;

(E) the L/C Issuer does not as of the issuance date of such requested Letter of Credit issue Letters of Credit in the requested currency;

(F) any Revolving Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the Company or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(iv) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(v) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) The L/C Issuer shall act on behalf of the Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article X with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article X included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Company delivered to the L/C Issuer (with a copy to the Administrative

Agent) in the form of a Letter of Credit Application, appropriately completed and signed by an Executive Officer of the Company. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the L/C Issuer, by personal delivery or by any other means acceptable to the L/C Issuer. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least five (5) Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the L/C Issuer may require. Additionally, the Company shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Company and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article V shall not be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Company or the applicable Subsidiary or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Letter of Credit.

(iii) If the Company so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed

upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the Company shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time for up to twelve (12) months; provided, however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Revolving Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the Company that one or more of the applicable conditions specified in Section 5.03 is not then satisfied, and in each case directing the L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the Company and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the L/C Issuer shall notify the Company and the Administrative Agent thereof. In the case of a Letter of Credit denominated in an Alternative Currency, the Company shall reimburse the L/C Issuer in such Alternative Currency, unless (A) the L/C Issuer (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the Company shall have notified the L/C Issuer promptly following receipt of the notice of drawing that the Company will reimburse the L/C Issuer in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in an Alternative Currency, the L/C Issuer shall notify the Company and the Administrative Agent of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than 11:00 a.m. on the date of any payment by the L/C Issuer under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the date of any payment by the L/C Issuer under a Letter of Credit to be reimbursed in an Alternative Currency (each such date, an "Honor Date"), the Company shall reimburse the L/C Issuer either directly or through the Administrative Agent in an amount equal to the amount of such drawing and in the applicable currency. If the Company fails to so reimburse the L/C Issuer by such time, the L/C Issuer shall notify the Administrative Agent and the Administrative Agent shall promptly notify each Revolving Lender of the Honor Date, the amount of the unreimbursed drawing (expressed in Dollars in the amount of the Dollar Equivalent thereof in the case of a Letter of Credit denominated in an Alternative Currency) (the "Unreimbursed Amount"), and the amount of such Lender's Applicable Percentage thereof. In such event, the Company shall be deemed to have requested a Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the conditions set forth in Section 5.03

(other than the delivery of a Loan Notice) and provided that, after giving effect to such Borrowing, the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments. Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Revolving Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) to the Administrative Agent for the account of the L/C Issuer, in Dollars, at the Administrative Agent's Office for Dollar-denominated payments in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Revolving Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Company in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer in Dollars.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Borrowing of Base Rate Loans because the conditions set forth in Section 5.03 cannot be satisfied or for any other reason, the Company shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Revolving Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Revolving Lender in satisfaction of its participation obligation under this Section 2.03. For the avoidance of doubt, the parties hereto agree that the obligation of the Revolving Lenders hereunder to reimburse the L/C Issuer for any Unreimbursed Amount with respect to any Letter of Credit shall terminate on the Maturity Date with respect to any drawings occurring after that date.

(iv) Until each Revolving Lender funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Revolving Lender's obligation to make Revolving Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the L/C Issuer, the Company, any Subsidiary or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 5.03 (other than delivery by the Company of a Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Company to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Revolving Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, the L/C Issuer shall be entitled to recover from such Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the L/C Issuer in accordance with banking industry rules on interbank compensation. A certificate of the L/C Issuer submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Revolving Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Company or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Revolving Lender its Applicable Percentage thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in Dollars and in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Revolving Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Revolving Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Company to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement or any other Credit Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Company or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection

with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the L/C Issuer of any requirement that exists for the L/C Issuer's protection and not the protection of the Company or any waiver by the L/C Issuer which does not in fact materially prejudice the Company;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the ISP or the UCP, as applicable;

(vii) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(viii) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Company or any Subsidiary or in the relevant currency markets generally; or

(ix) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Company or any Subsidiary.

The Company shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Company's instructions or other irregularity, the Company will immediately notify the L/C Issuer. The Company shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Revolving Lender and the Company agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by such Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Revolving

Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders, the Required Revolving Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Company hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Company's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (viii) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Company may have a claim against the L/C Issuer, and the L/C Issuer may be liable to the Company, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Company which the Company proves were caused by the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit unless the L/C Issuer is prevented or prohibited from so paying as a result of any order or directive of any court or other Governmental Authority. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. The L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP and UCP; Limitation of Liability. Unless otherwise expressly agreed by the L/C Issuer and the Company when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP shall apply to each standby Letter of Credit and (ii) the rules of the UCP shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the L/C Issuer shall not be responsible to the Company for, and the L/C Issuer's rights and remedies against the Company shall not be impaired by, any action or inaction of the L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where the L/C Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(h) Letter of Credit Fees. The Company shall pay to the Administrative Agent for the account of each Revolving Lender in accordance, subject to Section 2.15, with its Applicable Percentage, in Dollars, a Letter of Credit fee (the "Letter of Credit Fee") (i) for each commercial Letter of Credit equal to 0.20% per annum times the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit, and (ii) for each standby Letter of Credit equal to the Applicable Rate times the Dollar Equivalent of the daily maximum amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. Letter of Credit Fees shall be (i) computed on a quarterly basis in arrears and (ii) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on

the Maturity Date and thereafter on demand. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders while any Event of Default exists or at any time the Default Rate is in effect, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Company shall pay directly to the L/C Issuer for its own account, in Dollars, a fronting fee (i) with respect to each commercial Letter of Credit, at the rate specified in the Agency Fee Letter (or as otherwise agreed between the applicable L/C Issuer and the Company), computed on the amount of such Letter of Credit, and payable upon the issuance thereof, (ii) with respect to any amendment of a commercial Letter of Credit increasing the amount of such Letter of Credit, at a rate separately agreed between the Company and the L/C Issuer, computed on the amount of such increase, and payable upon the effectiveness of such amendment, and (iii) with respect to each standby Letter of Credit, at the rate per annum specified in the Agency Fee Letter (or as otherwise agreed between the applicable L/C Issuer and the Company), computed on the Dollar Equivalent of the actual daily maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of Credit) and on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Maturity Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. In addition, the Company shall pay directly to the L/C Issuer for its own account, in Dollars, the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Company shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Company hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Company, and that the Company's business derives substantial benefits from the businesses of such Subsidiaries.

(l) Existing Letters of Credit. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(m) Reporting by L/C Issuers. Each L/C Issuer (other than an Affiliate of the Administrative Agent) shall (i) notify the Administrative Agent of the issuance of any Letter of Credit in order for such Letter of Credit to be deemed issued pursuant to this Agreement and (ii) provide periodic reports (and reconciliation) to the Administrative Agent with respect to its outstanding Letters of Credit.

2.04 Swing Line Loans.

(a) Domestic Swing Line Facility. Subject to the terms and conditions set forth herein, the Domestic Swing Line Lender, in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.04, may in its sole discretion make loans in Dollars (each such loan, a "Domestic Swing Line Loan") to any Domestic Borrower from time to time on any Business Day during the Availability Period; provided, however, that after giving effect to any Domestic Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the aggregate principal amount of all Swing Line Loans at any time outstanding shall not exceed the Swing Line Sublimit, (iii) the Revolving Credit Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, (iv) no Domestic Borrower shall use the proceeds of any Domestic Swing Line Loan to refinance any outstanding Domestic Swing Line Loan, and (v) the Domestic Swing Line Lender shall not be under any obligation to make any Domestic Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Domestic Borrowers may borrow under this Section 2.04(a), prepay under Section 2.05, and reborrow under this Section 2.04(a). Immediately upon the making of a Domestic Swing Line Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Domestic Swing Line Lender a risk participation in such Domestic Swing Line Loan in an amount equal to the product of such Revolving Lender's Applicable Percentage times the amount of such Domestic Swing Line Loan.

(b) Canadian Swing Line Facility. Subject to the terms and conditions set forth herein, the Canadian Swing Line Lender, in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.04, shall make loans in Canadian Dollars (each such loan, a "Canadian Swing Line Loan") to any Canadian Borrower from time to time on any Business Day during the Availability Period; provided, however, that after giving effect to any Canadian Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the aggregate principal amount of all Swing Line Loans at any time outstanding shall not exceed the Swing Line Sublimit, (iii) the Revolving Credit Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, (iv) no Canadian Borrower shall use the proceeds of any Canadian Swing Line Loan to refinance any outstanding Canadian Swing Line Loan, and (v) the Canadian Swing Line Lender shall not be under any obligation to make any Canadian Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Canadian Borrowers may borrow under this Section 2.04(b), prepay under Section 2.05, and reborrow under this Section 2.04(b). Immediately upon the making of a Canadian Swing Line Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Canadian Swing Line Lender a risk participation in such Canadian Swing Line Loan in an amount equal to the product of such Revolving Lender's Applicable Percentage times the amount of such Canadian Swing Line Loan.

(c) Australian Swing Line Facility. Subject to the terms and conditions set forth herein, the Australian Swing Line Lender, in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.04(c), shall make loans in Australian Dollars (each such loan, an "Australian Swing Line Loan") to any Australian Borrower from time to time on any Business Day during the Availability Period; provided, however, that after giving effect to any Australian Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the aggregate principal amount of all Swing Line Loans at any time outstanding shall not exceed the Swing Line Sublimit, (iii) the Revolving Credit Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, (iv) no Australian Borrower shall use the proceeds of any Australian Swing Line Loan to refinance any

outstanding Australian Swing Line Loan, (v) the Australian Swing Line Lender shall not be under any obligation to make any Australian Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure and (vi) the Australian Swing Line Lender shall not be under any obligation to make any Australian Swing Line Loan in excess of AUD$30,000,000 or such greater amount agreed, in writing, by the Australian Swing Line Lender (the "Australian Swing Line Sublimit"). Within the foregoing limits, and subject to the other terms and conditions hereof, the Australian Borrowers may borrow under this Section 2.04(c), prepay under Section 2.05, and reborrow under this Section 2.04(c). Immediately upon the making of an Australian Swing Line Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Australian Swing Line Lender a risk participation in such Australian Swing Line Loan in an amount equal to the product of such Revolving Lender's Applicable Percentage times the amount of such Australian Swing Line Loan.

(d) Additional Swing Line Facility. Subject to the terms and conditions set forth herein, the Additional Swing Line Lender under an Additional Swing Line Facility, in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.04, shall make loans under such Additional Swing Line Facility in the applicable currencies for such Additional Swing Line Facility (each such loan, an "Additional Swing Line Loan") to the applicable Foreign Borrowers for such Additional Swing Line Facility from time to time on any Business Day during the Availability Period; provided, however, that after giving effect to any such Additional Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the aggregate principal amount of all Swing Line Loans at any time outstanding shall not exceed the Swing Line Sublimit, (iii) the Revolving Credit Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, (iv) no Foreign Borrower shall use the proceeds of any Additional Swing Line Loan to refinance any outstanding Additional Swing Line Loan, (v) such Additional Swing Line Lender shall not be under any obligation to make any Additional Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure and (vi) such Additional Swing Line Lender shall not be under any obligation to make any Additional Swing Line Loan in excess of the Additional Swing Line Loan Sublimit, if any, applicable to such Additional Swing Line Facility. Within the foregoing limits, and subject to the other terms and conditions hereof, the applicable Foreign Borrowers may borrow under this Section 2.04(d), prepay under Section 2.05, and reborrow under this Section 2.04(d). Immediately upon the making of an Additional Swing Line Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable Additional Swing Line Lender a risk participation in such Additional Swing Line Loan in an amount equal to the product of such Revolving Lender's Applicable Percentage times the amount of such Additional Swing Line Loan.

(e) Borrowing Procedures. Each Borrowing of a Swing Line Loan shall be made upon any Borrower's irrevocable notice to the applicable Swing Line Lender and the Administrative Agent, which may be given by (A) telephone or (B) a Swing Line Loan Notice. Each such notice must be received by the Administrative Agent and the applicable Swing Line Lender not later than (i) 1:00 p.m., in the case of notices to the Domestic Swing Line Lender, and (ii) such time as specified by the Administrative Agent and the applicable Swing Line Lender, in the case of notices to any Foreign Swing Line Lender, on the requested borrowing date, and shall specify (i) the currency and amount to be borrowed, which shall be a minimum principal amount equal to the Dollar Equivalent of $250,000 and integral multiples of the Dollar Equivalent of $100,000 in excess thereof, and (ii) the requested borrowing date, which shall be a Business Day. Each such telephonic notice must be confirmed promptly by delivery to the applicable Swing Line Lender and the Administrative Agent of a Swing Line Loan Notice. Promptly after receipt by a Swing Line Lender of any Swing Line Loan Notice, such Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and,

if not, such Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the applicable Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Lender) prior to (i) 2:00 p.m., in the case of notices to the Domestic Swing Line Lender and (ii) such time as specified by the Administrative Agent and the applicable Swing Line Lender, in the case of notices to any Foreign Swing Line Lender, on the date of the proposed Borrowing of Swing Line Loans (A) directing such Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), (b), (c) or (d) or (B) that one or more of the applicable conditions specified in Article V is not then satisfied, then, subject to the terms and conditions hereof, such Swing Line Lender will, not later than (i) 3:00 p.m., in the case of Domestic Swing Line Loans and (ii) such time specified by the Administrative Agent and the applicable Swing Line Lender, in the case of any Foreign Swing Line Loan, on the borrowing date specified in such Swing Line Loan Notice, make the amount of such Swing Line Loan available to the applicable Borrower.

(f) Refinancing of Swing Line Loans.

(i) The Domestic Swing Line Lender at any time in its sole discretion may request, on behalf of the applicable Domestic Borrower (which hereby irrevocably requests and authorizes the Domestic Swing Line Lender to so request on its behalf), that each Revolving Lender make a Revolving Loan that is a Base Rate Loan in an amount equal to such Lender's Applicable Percentage of the amount of Domestic Swing Line Loans then outstanding. Each Foreign Swing Line Lender at any time in its sole discretion may request, on behalf of the applicable Foreign Borrower (which hereby irrevocably requests and authorizes such Foreign Swing Line Lender to so request on its behalf), that each Revolving Lender make a Revolving Loan that is a Eurocurrency Rate Loan in an amount equal to such Lender's Applicable Percentage of the amount of the then outstanding Foreign Swing Line Loans made by such Foreign Swing Line Lender to such Foreign Borrower and in the currency of such Foreign Swing Line Loans. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Eurocurrency Rate Loans, but subject to the conditions set forth in Section 5.03 (other than the delivery of a Loan Notice) and provided that, after giving effect to such Borrowing, the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments. The applicable Swing Line Lender shall furnish the Company with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Revolving Lender shall make an amount equal to its Applicable Percentage of the amount specified in such Loan Notice and in the currency specified in such Loan Notice available to the Administrative Agent in immediately available funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swing Line Loan) for the account of the applicable Swing Line Lender at the Administrative Agent's Office for payments denominated in the applicable currency not later than 1:00 p.m., in the case of any Revolving Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Revolving Loan denominated in an Alternative Currency, in each case on the Business Day specified in the applicable Loan Notice, whereupon, subject to Section 2.04(f)(ii), each Revolving Lender that so makes funds available shall be deemed to have made a Revolving Loan to the Company in such amount and currency. The Administrative Agent shall remit the funds so received and in the currency received to the applicable Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Borrowing of Revolving Loans in accordance with Section 2.04(f)(i), the request for Revolving Loans submitted by the applicable Swing Line Lender as set forth herein shall be deemed to be a request by the applicable Swing Line Lender that each of the Revolving Lenders fund its risk participation in the relevant Swing Line Loan and each Revolving Lender's payment to the Administrative Agent for the account of the applicable Swing Line Lender pursuant to Section 2.04(f)(i) shall be deemed payment in respect of such participation.

(iii) If any Revolving Lender fails to make available to the Administrative Agent for the account of the applicable Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(f) by the time specified in Section 2.04(f)(i), such Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Swing Line Lender at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by such Swing Line Lender in accordance with banking industry rules on interbank compensation. A certificate of the applicable Swing Line Lender submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Revolving Lender's obligation to make Revolving Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(f) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such Lender may have against the applicable Swing Line Lender, the applicable Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Lender's obligation to make Revolving Loans pursuant to this Section 2.04(f) is subject to the conditions set forth in Section 5.03. No such purchase or funding of risk participations shall relieve or otherwise impair the obligation of the applicable Borrower to repay Swing Line Loans, together with interest as provided herein.

(g) Repayment of Participations.

(i) At any time after any Revolving Lender has purchased and funded a risk participation in a Swing Line Loan, if the applicable Swing Line Lender receives any payment on account of such Swing Line Loan, such Swing Line Lender will distribute to such Lender its Applicable Percentage of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's risk participation was funded) in the same funds as those received by such Swing Line Lender.

(ii) If any payment received by a Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by such Swing Line Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by such Swing Line Lender in its discretion), each Revolving Lender shall pay such Swing Line Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned,

at a rate per annum equal to the applicable Overnight Rate. The Administrative Agent will make such demand upon the request of the applicable Swing Line Lender. The obligations of the Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(h) Interest for Account of Swing Line Lender. Each Swing Line Lender shall be responsible for invoicing the applicable Borrower for interest on the Swing Line Loans made by such Swing Line Lender. Until each Revolving Lender funds its Revolving Loans or risk participation pursuant to this Section 2.04 to refinance such Lender's Applicable Percentage of any Swing Line Loan, interest in respect of such Applicable Percentage shall be solely for the account of the Swing Line Lender that made such Swing Line Loan.

(i) Payments Directly to Swing Line Lenders. The applicable Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender that made such Swing Line Loan.

2.05 Prepayments.

(a) Voluntary Prepayments.

(i) Revolving Loans and Term Loan. Each Borrower may, upon delivery from the Company to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Revolving Loans and the Term Loan in whole or in part without premium or penalty; provided that such notice must be in a form acceptable to the Administrative Agent and, provided further that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three (3) Business Days prior to any date of prepayment of Eurocurrency Rate Loans denominated in Dollars, (2) four Business Days (4) (or five (5), in the case of prepayment of Loans denominated in Special Notice Currencies) prior to any date of prepayment of Eurocurrency Rate Loans denominated in Alternative Currencies and (3) on the date of prepayment of Base Rate Loans; (B) any such prepayment of Eurocurrency Rate Loans denominated in Dollars shall be in a principal amount of $2,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any prepayment of Eurocurrency Rate Loans denominated in Alternative Currencies shall be in a minimum principal amount of $2,000,000 or a whole multiple of $1,000,000 in excess thereof; and (D) any prepayment of Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid; provided, that such notice of prepayment may state that such notice is conditioned on the satisfaction of one or more conditions precedent, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the specified date) if such condition is not satisfied. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Company and has not been revoked by the Company on or prior to the specified date, the applicable Borrower 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 Eurocurrency Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each prepayment of the

Term Loan pursuant to this Section 2.05(a) shall be applied to the principal repayment installments of the Term Loan in direct order of maturity (or such other order as may be specified by the Company). Subject to Section 2.15, each such prepayment shall be applied to the relevant Lenders in accordance with their respective Applicable Percentages.

(ii) Swing Line Loans. The Company may, upon delivery to the applicable Swing Line Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the applicable Swing Line Lender and the applicable Administrative Agent not later than (A) 1:00 p.m., in the case of notices to the Domestic Swing Line Lender and (B) such time as specified by the Administrative Agent and the applicable Swing Line Lender in the case of notices to any Foreign Swing Line Lender, and (ii) any such prepayment shall be in a minimum principal amount equal to the Dollar Equivalent of $250,000 or a whole multiple of the Dollar Equivalent of $100,000 in excess thereof (or, if less, the entire principal thereof then outstanding). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Company, the applicable Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(b) Mandatory Prepayments of Loans. If for any reason the (i) Total Revolving Outstandings at any time exceed the Aggregate Revolving Commitments then in effect (or one hundred five percent (105%) of the Aggregate Revolving Commitments then in effect if such excess results from a calculation made on a Revaluation Date), (ii) the aggregate principal amount of L/C Obligations at any time exceed the Letter of Credit Sublimit (or one hundred five percent (105%) of the Letter of Credit Sublimit then in effect if such excess results from a calculation made on a Revaluation Date), (iii) the aggregate principal amount of Swing Line Loans at any time exceeds the Swing Line Sublimit, (iv) the aggregate principal amount of Australian Swing Line Loans at any time exceeds the Australian Swing Line Sublimit, or (v) the aggregate principal amount of Additional Swing Line Loans at any time exceeds the Additional Swing Line Loan Sublimit, if any, applicable to the applicable Additional Swing Line Facility, the applicable Borrower shall make immediate prepayment on the Loans and/or Cash Collateralize the L/C Obligations in an amount equal to such excess; provided, however, that except as relates to clause (ii) above, L/C Obligations will not be Cash Collateralized hereunder until the Revolving Loans and Swing Line Loans have been paid in full.

(c) Mandatory Prepayment of Term Loan Due to a Mandatory Cancellation Event. If after the advance of the Term Loan on the Term Loan Funding Date a Mandatory Cancellation Event occurs or exists then the Company shall make immediate prepayment of the Term Loan in full.

2.06 Increase of Aggregate Revolving Commitments; Termination or Reduction of Commitments.

(a) Increase of Aggregate Revolving Commitments. On the Term Loan Funding Date concurrent with (and subject to) the advance of the Term Loan, the Aggregate Revolving Commitments shall automatically increase by $300,000,000 and the Revolving Commitment of each Revolving Lender shall be increased by such Lender's Applicable Percentage of the amount of such increase in the Aggregate Revolving Commitments in each case without the consent of any Lender. Promptly following the Term Loan Funding Date the Administrative Agent will distribute to the Revolving Lenders an updated Schedule 2.01 which shall include the increased Revolving Commitment of each Lender.

(b) Optional Reductions of Aggregate Revolving Commitments. The Company may, upon notice to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments to an amount not less than the Outstanding Amount of Revolving Loans, Swing Line Loans and L/C Obligations; provided that (i) any such notice shall be received by the Administrative Agent not later than 12:00 noon five (5) Business Days (or such later date as agreed by the Administrative Agent) prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $2,000,000 or any whole multiple of $1,000,000 in excess thereof, (iii) such notice may state that such notice is conditioned on the satisfaction of one or more conditions precedent, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the specified date) if such condition is not satisfied, and (iv) the Company shall not terminate or reduce (A) the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments.

(c) Mandatory Reductions of Commitments.

(i) Revolving Commitments.

(A) If after giving effect to any reduction or termination of Revolving Commitments under this Section 2.06, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the Aggregate Revolving Commitments at such time, the Letter of Credit Sublimit or the Swing Line Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(B) If after increase in the Aggregate Revolving Commitments pursuant to Section 2.06(a) has occurred on the Term Loan Funding Date a Mandatory Cancellation Event occurs or exists, the Aggregate Revolving Commitments shall automatically decrease by $300,000,000.

(ii) Term Loan Commitments. The Term Loan Commitments of all the Lenders shall be automatically and permanently reduced to zero upon the expiration of the Certain Funds Period.

(d) Notice. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, the Swing Line Sublimit or the Aggregate Revolving Commitments under this Section 2.06. Upon any reduction of the Aggregate Revolving Commitments, the Revolving Commitment of each Lender shall be reduced by such Lender's Applicable Percentage of such reduction amount. All fees in respect of the Aggregate Revolving Commitments accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) Revolving Loans. The applicable Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of all Revolving Loans made to such Borrower outstanding on such date.

(b) Swing Line Loans. The applicable Borrower shall repay to the applicable Swing Line Lender each Swing Line Loan the aggregate principal amount of each Swing Line Loan made to such Borrower on the earliest to occur of (i) the date within one (1) Business Day of demand therefor by such Swing Line

Lender, (ii) a date not more than ten (10) Business Days from the date of advance thereof and (iii) the Maturity Date.

(c) Term Loan. The Company shall repay to the Lenders the Outstanding Amount of the Term Loan in quarterly installments on the last Business Day of each March, June, September and December (commencing with the last Business Day of the first full fiscal quarter after the Term Loan Funding Date) in an amount equal to (v) for the first four such quarterly installments, 1.25% of the initial principal amount of the Term Loan advanced on the Term Loan Funding Date, (w) for the fifth through eighth such quarterly installments, 1.875% of the initial principal amount of the Term Loan advanced on the Term Loan Funding Date, (x) for the ninth through twelfth such quarterly installments, 2.50% of the initial principal amount of the Term Loan advanced on the Term Loan Funding Date, (y) for the thirteenth through sixteenth such quarterly installments, 3.125% of the initial principal amount of the Term Loan advanced on the Term Loan Funding Date and (z) for each such quarterly installment thereafter, 3.75% of the initial principal amount of the Term Loan advanced on the Term Loan Funding Date (which amounts shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05), unless accelerated sooner pursuant to Section 9.14: provided, however, that (i) the Company shall repay to the Lenders the Outstanding Amount of the Term Loan in full on the Maturity Date, (ii) if any principal repayment installment to be made by the Company (other than principal repayment installments on Eurocurrency Rate Loans) shall come due on a day other than a Business Day, such principal repayment installment shall be due on the next succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be and (B) if any principal repayment installment to be made by the Company on a Eurocurrency Rate Loan shall come due on a day other than a Business Day, such principal repayment installment shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such principal repayment installment into another calendar month, in which event such principal repayment installment shall be due on the immediately preceding Business Day.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurocurrency Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Eurocurrency Rate for such Interest Period plus the Applicable Rate, (ii) 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, (iii) each Domestic Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to (A) the Base Rate plus the Applicable Rate or (B) such other rate as the Domestic Swing Line Lender and the applicable Borrower shall mutually agree from time to time and (iv) each Foreign Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum as the applicable Swing Line Lender and the applicable Borrower shall mutually agree from time to time.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, all outstanding Obligations hereunder shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(i) If any amount (other than principal of any Loan) payable by any Borrower under any Credit Document is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate

per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) 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.

(d) For the purposes of the Interest Act (Canada), (i) whenever a rate of interest or fee rate hereunder is calculated on the basis of a year (the "deemed year") that contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or fee rate shall be expressed as a yearly rate by multiplying such rate of interest or fee rate by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year, (ii) the principle of deemed reinvestment of interest shall not apply to any interest calculation hereunder and (iii) the rates of interest stipulated herein are intended to be nominal rates and not effective rates or yields.

2.09 Fees.

In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) Commitment Fee. The Borrowers shall pay to the Administrative Agent, for the account of each Revolving Lender in accordance with its Applicable Percentage, a commitment fee (the "Commitment Fee") in Dollars at a rate per annum equal to the product of (i) the Applicable Rate times (ii) the actual daily amount by which the Aggregate Revolving Commitments exceed the sum of (y) the Outstanding Amount of Revolving Loans and (z) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. For the avoidance of doubt, the Outstanding Amount of Swing Line Loans shall not be counted towards or considered usage of the Aggregate Revolving Commitments for purposes of determining the Commitment Fee. The Commitment Fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article V is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the Maturity Date; provided, that (A) no Commitment Fee shall accrue on the Revolving Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender and (B) any Commitment Fee accrued with respect to the Revolving Commitment of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Borrowers so long as such Lender shall be a Defaulting Lender. 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.

(b) Agency Fee Letter. The Company shall pay to the Administrative Agent and Bank of America, in its capacity as the L/C Issuer, for their own respective accounts, fees in the amounts and at the

times specified in the Agency Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

(c) Joint Fee Letter. The Company shall pay to MLPFS, for the respective accounts of the Joint Lead Arrangers and the Lenders, as applicable, fees in the amounts and at the times specified in the Joint Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

(d) Letter of Credit Fees. The Borrowers shall pay Letter of Credit Fees as provided in Section 2.03(h).

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurocurrency Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year), or, in the case of interest in respect of Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Company or for any other reason, the Company or the Lenders determine that (i) the Leverage Ratio as calculated by the Company as of any applicable date was inaccurate and (ii) a proper calculation of the Leverage Ratio would have resulted in higher pricing for such period, the Borrowers shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the L/C Issuer, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Company or any other Borrower under the Bankruptcy Code or other Debtor Relief Law, automatically and without further action by the Administrative Agent, any Lender or the L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. This paragraph shall not limit the rights of the Administrative Agent, any Lender or the L/C Issuer, as the case may be, under Section 2.03(c)(iii), 2.03(i) or 2.08(b) or under Article IX. The Borrowers' obligations under this paragraph shall survive the termination of the Commitments of all of the Lenders and the repayment of all other Obligations hereunder.

2.11 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 Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the

Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender to a Borrower made through the Administrative Agent, such Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans to such Borrower in addition to such accounts or records. Each such promissory note shall be in the form of Exhibit 2.11 (a "Note"). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrowers shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, 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 applicable Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in an Alternative Currency shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such Alternative Currency and in immediately available funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States. If, for any reason, any Borrower is prohibited by any Law from making any required payment hereunder in an Alternative Currency, such Borrower shall make such payment in Dollars in the Dollar Equivalent of the Alternative Currency payment amount. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (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 (i) after 2:00 p.m., in the case of payments in Dollars, or (ii) after the Applicable Time specified by the Administrative Agent in the case of payments in an Alternative Currency, shall in each case be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. 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 may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurocurrency Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required

b y Section 2.02) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate, plus any administrative processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing and (B) in the case of a payment to be made by such Borrower, the interest rate applicable to Base Rate Loans. If such Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by such Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(i) Payments by Borrowers; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from a Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender to any Borrower as provided in the foregoing provisions of this Article II, and such funds are not made available to such Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article V 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.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) 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 Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. 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.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, or the participations in L/C Obligations or in Swing Line Loans held by it (excluding any amounts applied by any Swing Line Lender to outstanding Swing Line Loans) resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of a Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.14 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than an assignment to the Company or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 Cash Collateral.

(a) Certain Credit Support Events. If (i) the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, (ii) as of the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day), any L/C Obligation for any reason remains outstanding, (iii) the Company shall be required to provide Cash Collateral pursuant to Section 9.15(c) or (iv) there shall exist a Defaulting Lender, the Company shall immediately (in the case of clause (iii) above) or within one (1) Business Day (in all other cases) following any request by the Administrative Agent or the L/C Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iv) above, after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender). If the Administrative Agent notifies the Borrowers at any time that the Outstanding Amount of all L/C

Obligations at such time exceeds one hundred five percent (105%) of the Letter of Credit Sublimit then in effect, then, within two (2) Business Days after receipt of such notice, the Borrowers shall Cash Collateralize the L/C Obligations in an amount equal to the amount by which the Outstanding Amount of all L/C Obligations exceeds the Letter of Credit Sublimit. The Administrative Agent may, at any time and from time to time after the initial deposit of Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations.

(b) Grant of Security Interest. The Company, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the L/C Issuer as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Company will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. The Company shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.05, 2.15 or 9.02 in respect of Letters of Credit shall be held and applied in satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender) (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi)) or (ii) the determination by the Administrative Agent and the L/C Issuer that there exists excess Cash Collateral; provided, however, (x) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Credit Documents and the other applicable provisions of the Credit Documents, and (y) the Person providing Cash Collateral and the L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendment. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be

restricted as set forth in the definition of "Required Lenders", "Required Revolving Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amount received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08, shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the L/C Issuer or any Swing Line Lender hereunder; third, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Company may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Company, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuer or the Swing Line Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or any Swing Line Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Company as a result of any judgment of a court of competent jurisdiction obtained by the Company against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that, if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 5.03 were satisfied or waived, such payment shall be applied solely to the pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Revolving Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any fee payable under Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Company shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) With respect to any fee payable under Section 2.09(a) or any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Company shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations or Swing Line Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the L/C Issuer and the applicable Swing Line Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's or such Swing Line Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swing Line Loans shall be reallocated among the Revolving Lenders that are Non-Defaulting Lenders in accordance with their respective Applicable Percentages of the Aggregate Revolving Commitments (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any such Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. Subject to Section 11.21, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Company shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (x) first, prepay Swing Line Loans in any amount equal to the applicable Swing Line Lenders' Fronting Exposure and (y) second, Cash Collateralize the L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Company, the Administrative Agent, each Swing Line Lender and the L/C Issuer agree in writing that a Lender is no longer 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 (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided, that, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Company while that 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 Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

2.16 Designated Borrowers; Additional Swing Line Facilities.

(a) Effective as of the date hereof, each of the Subsidiaries set forth on Schedule 2.16 shall be a "Designated Borrower" hereunder and may receive Revolving Loans for its account on the terms and conditions set forth in this Agreement.

(b) The Company may at any time, upon not less than fifteen (15) Business Days' notice from the Company to the Administrative Agent, designate any Subsidiary of the Company that is a Material Company (an "Applicant Borrower") as a Designated Borrower to receive Revolving Loans hereunder by delivering to the Administrative Agent (which shall promptly deliver counterparts thereof to each Lender) a duly executed notice and agreement in substantially the form of Exhibit 2.16-1 (a "Designated Borrower Request and Assumption Agreement"). The parties hereto acknowledge and agree that prior to any Applicant Borrower becoming entitled to receive Revolving Loans hereunder the Administrative Agent and the Lenders shall have received (1) such supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, all in form, content and scope reasonably satisfactory to the Administrative Agent, (2) documentation and other information that is required by regulatory authorities under applicable "know your customer", anti-money laundering and anti-terrorism rules and regulations, including without limitation, the Patriot Act, as may be required by the Administrative Agent or any Revolving Lender in its sole discretion, (3) Notes signed by such new Borrowers to the extent any Revolving Lenders so require and (4) consent of each Revolving Lender. If the Administrative Agent and the Required Revolving Lenders (or all Revolving Lenders, in the case of an Applicant Borrower that is not a U.S. Person as provided in clause (4) above) agree that an Applicant Borrower shall be entitled to receive Revolving Loans hereunder, then promptly following receipt of all such requested resolutions, incumbency certificates, opinions of counsel and other documents or information, the Administrative Agent shall send a notice in substantially the form of Exhibit 2.16-2 (a "Designated Borrower Notice") to the Company and the Lenders specifying the effective date upon which the Applicant Borrower shall constitute a Designated Borrower for purposes hereof, whereupon each of the Revolving Lenders agrees to permit such Designated Borrower to receive Revolving Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that such Designated Borrower otherwise shall be a Borrower for all purposes of this Agreement; provided that no Loan Notice or Letter of Credit Application may be submitted by or on behalf of such Designated Borrower until the date five (5) Business Days after such effective date; and

(c) Each Subsidiary of the Company that is or becomes a "Designated Borrower" pursuant to this Section 2.16 hereby irrevocably appoints the Company as its agent for all purposes relevant to this Agreement and each of the other Credit Documents, including (i) the giving and receipt of notices, (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto, and (iii) the receipt of the proceeds of any Revolving Loans made by the Revolving Lenders to any such Designated Borrower hereunder. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to each Designated Borrower.

(d) The Company may from time to time, upon not less than fifteen (15) Business Days' notice from the Company to the Administrative Agent (or such shorter period as may be agreed by the Administrative

Agent in its sole discretion), terminate a Designated Borrower's status as such, provided that there are no outstanding Loans payable by such Designated Borrower, or other amounts payable by such Designated Borrower on account of any Revolving Loans made to it, as of the effective date of such termination. The Administrative Agent will promptly notify the Revolving Lenders of any such termination of a Designated Borrower's status.

(e) The Company may from time to time request to establish one or more additional swing line facilities (each an "Additional Swing Line Facility") provided by Bank of America or any of its designated Affiliates or branch offices (each in such capacity an "Additional Swing Line Lender"). If Bank of America or any of its designated Affiliates or branch offices agrees in its sole discretion to provide an Additional Swing Line Facility, then the Company shall establish such Additional Swing Line Facility by delivering to the Administrative Agent a notice in a form reasonably satisfactory to the Administrative Agent (each such notice an "Additional Swing Line Facility Notice") which sets forth (i) the applicable Additional Swing Line Lender, (ii) the Foreign Borrowers that will be permitted to borrow thereunder, (iii) the currencies available for borrowing thereunder which must be Alternative Currencies and (iv) if applicable, the maximum principal amount of borrowings that may at any time be outstanding thereunder (each an "Additional Swing Line Loan Sublimit"). Each Additional Swing Line Facility Notice shall be executed by the Company, each Foreign Borrower that is permitted to borrow thereunder and the applicable Additional Swing Line Lender. On the date five (5) Business Days (or such shorter period as may be agreed to by the Administrative Agent) after receipt by the Administrative Agent of the Additional Swing Line Facility Notice, such Additional Swing Line Facility shall become effective for purposes of this Agreement and the other Credit Documents and all borrowings thereunder on and after such date shall be deemed Additional Swing Line Loans.

2.17 Joint and Several Liability.

(a) Domestic Borrowers. The Obligations of the Company and each Designated Borrower that is a Domestic Subsidiary (excluding any Excluded Domestic Subsidiary) shall be joint and several in nature regardless of which such Person actually receives Credit Extensions hereunder or the amount of such Credit Extensions received or the manner in which the Administrative Agent or any Lender accounts for such Credit Extensions on its books and records. Each Domestic Borrower's obligations with respect to Credit Extensions made to it, and each such Domestic Borrower's obligations arising as a result of the joint and several liability of such Domestic Borrower hereunder, with respect to Credit Extensions made to and other Obligations owing by the other Domestic Borrowers hereunder, shall be separate and distinct obligations, but all such obligations shall be primary obligations of each such Domestic Borrower.

(b) Foreign Borrowers. The Obligations of UAP and each Designated Borrower that is a Foreign Subsidiary shall be joint and several in nature regardless of which such Person actually receives Credit Extensions hereunder or the amount of such Credit Extensions received or the manner in which the Administrative Agent or any Lender accounts for such Credit Extensions on its books and records. Each Foreign Borrower's obligations with respect to Credit Extensions made to it, and each such Foreign Borrower's obligations arising as a result of the joint and several liability of such Foreign Borrower hereunder, with respect to Credit Extensions made to and other Obligations owing by the other Foreign Borrowers hereunder, shall be separate and distinct obligations, but all such obligations shall be primary obligations of each such Foreign Borrower.

(c) Waivers. The obligations of the Borrowers under clauses (a) and (b) above, respectively, are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Credit Documents, Swap Contracts or Treasury Management Agreements, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange

of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 2.17 that the obligations of the Borrowers hereunder shall be absolute and unconditional under any and all circumstances. Each Borrower agrees that with respect to its obligations under the foregoing clause (a) or (b), as applicable, such Borrower shall have no right of subrogation, indemnity, reimbursement or contribution against the Company or any other Borrower for amounts paid under this Section 2.17 until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Borrower under the foregoing clause (a) or (b), as applicable, which shall remain absolute and unconditional as described above:

(i) at any time or from time to time, without notice to any Borrower, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(ii) any of the acts mentioned in any of the provisions of any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank, or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements shall be done or omitted;

(iii) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements shall be waived or any other guarantee of any of the Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(iv) any Lien granted to, or in favor of, the Administrative Agent or any Lender or Lenders as security for any of the Obligations shall fail to attach or be perfected; or

(v) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Borrower) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Borrower).

With respect to its obligations under the foregoing clause (a) or (b), as applicable, each Borrower hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements, or against any other Person under any other guarantee of, or security for, any of the Obligations.

(d) Notwithstanding any other provision of this Agreement or any provision of any other Credit Document, (i) no Foreign Borrower shall have any obligation under any Credit Document to make any payment in respect of the Obligations of any Domestic Borrower, and (ii) no direct or indirect assets of a Foreign Borrower shall be applied under any Credit Document to repay or otherwise satisfy any obligation of any Domestic Borrower under any Credit Document.

Designated Lenders.Each of the Administrative Agent, the L/C Issuer and each Lender at its option may make any Credit Extension or otherwise perform its obligations hereunder through any Lending Office (each, a "Designated Lender"); provided that any exercise of such option shall not affect the obligation of the Borrowers to repay any Credit Extension in accordance with the terms of this AgreementAny Designated Lender shall be considered a Lender; provided that in the case of an Affiliate or branch of a Lender, such provisions that would be applicable with respect to Credit Extensions actually provided by such Affiliate or branch of such Lender shall apply to such Affiliate or branch of such Lender to the same extent as such Lender; provided that for the purposes only of voting in connection with any Credit Document, any participation by any Designated Lender in any outstanding Credit Extension shall be deemed a participation of such Lender.

2.18 Loan Modification Offers.

(a) The Company may on one or more occasions after the Closing Date, by written notice to the Administrative Agent, make one or more offers (each, a "Loan Modification Offer") to all (and not fewer than all) the Lenders of one or more Classes (each Class subject to such a Loan Modification Offer, an "Affected Class") to make one or more Permitted Amendments pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Company. Such notice shall set forth (i) the terms and conditions of the requested Loan Modification Offer and (ii) the date on which such Loan Modification Offer is requested to become effective. Permitted Amendments shall become effective only with respect to the Loans and Commitments of the Lenders of the Affected Class that accept the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Loans and Commitments of such Affected Class as to which such Lender's acceptance has been made. With respect to all Permitted Amendments consummated by the Company pursuant to this Section 2.19, (A) such Permitted Amendments shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.05 and (B) any Loan Modification Offer, unless contemplating a Maturity Date already in effect hereunder pursuant to a previously consummated Permitted Amendment, must be in a minimum amount of $50,000,000 (or such lesser amount as may be approved by the Administrative Agent in its reasonable discretion); provided that the Company may at their election specify as a condition (a "Minimum Extension Condition") to consummating any such Permitted Amendment that a minimum amount (to be determined and specified in the relevant Loan Modification Offer in the Company's sole discretion and which may be waived by the Company) of Commitments or Loans of any or all Affected Classes be extended. If the aggregate principal amount of Commitments or Loans of any Affected Class in respect of which Lenders shall have accepted the relevant Loan Modification Offer shall exceed the maximum aggregate principal amount of Commitments or Loans of such Affected Class offered to be extended by the Company pursuant to such Loan Modification Offer, then the Commitments and Loans of such Lenders shall be extended ratably up to such maximum amount based on the relative principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Loan Modification Offer. A Permitted Amendment shall be effected pursuant to a Loan Modification Agreement executed and delivered by the Company, each Accepting Lender and the Administrative Agent; provided that in the case of any Permitted Amendment relating to the Revolving Commitments and affecting the rights, duties or privileges of the L/C Issuer or the Swing Line Lenders, the L/C Issuer and each Swing Line Lender, respectively, shall have approved such Permitted Amendment; provided that no Permitted

Amendment shall become effective unless (i) no Event of Default shall have occurred and be continuing on the date of effectiveness thereof, (ii) the representations and warranties of each Loan Party contained in the Credit Documents, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the effective date of such Permitted Amendment, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, (iii) the Loan Parties shall have delivered to the Administrative Agent, to the extent requested by the Administrative Agent, documents of the types referred to in Sections 5.01(c) and favorable opinions of counsel to the Loan Parties, all in form, content and scope reasonably satisfactory to the Administrative Agent and (iv) any applicable Minimum Extension Condition shall be satisfied (unless waived by the Company). The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Modification Agreement. Each Loan Modification Agreement may, without the consent of any Lender other than the applicable Accepting Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to give effect to the provisions of this Section 2.19, including any amendments necessary to treat the applicable Loans and/or Commitments of the Accepting Lenders as a new Class of loans and/or commitments hereunder (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendments); provided that (1) all Borrowings, all prepayments of Loans and all reductions of Commitments shall continue to be made on a ratable basis among all Lenders, based on the relative amounts of their Commitments (i.e., both extended and non-extended), until the repayment of the Loans attributable to the non-extended Commitments (and the termination of the non-extended Commitments) on the relevant Maturity Date, (2) in the case of any Loan Modification Offer relating to Revolving Commitments or Revolving Loans, the allocation of the participation exposure with respect to Swing Line Loans and Letters of Credit as between the commitments extended hereunder and the remaining Revolving Commitments shall be made on a ratable basis as between such extended Commitments (if any) and the remaining Revolving Commitments until the Maturity Date in respect of the non-extended Commitments (it being understood that no reallocation of such exposure to extended Commitments shall occur on such Maturity Date if such reallocation would cause the Revolving Extensions of Credit of any Lender to exceed its extended Commitments), (3) at no time shall there be more than two Classes of revolving Commitments hereunder unless otherwise agreed by the Administrative Agent and (4) any such Loans and/or Commitments of the Accepting Lenders that are treated as a new Class of loans and/or commitments hereunder shall constitute Commitments and Credit Extensions under, and shall be equally and ratably with the other Commitments and Credit Extensions entitled to all the benefits afforded by, this Agreement and the other Credit Documents. The Administrative Agent and the Lenders hereby acknowledge that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement are not intended to apply to the transactions effected pursuant to this Section 2.19. This Section 2.19 shall supersede any provisions in Section 2.13 or Section 11.01 to the contrary.

2.19 Incremental Facilities.

The Company may on one or more occasions after the Closing Date, but not more than five (5) times during the existence of this Agreement, upon five (5) Business Days (or such shorter period as may be agreed to by the Administrative Agent) written notice to the Administrative Agent, establishment one or more tranches of term loans or increase the Term Loan (each an "Incremental Term Facility") and/or increase the Aggregate Revolving Commitments (each such increase, an "Incremental Revolving Facility"; each Incremental Term Facility and each Incremental Revolving Increase is an "Incremental Facility"); provided that (i) the aggregate amount of the Incremental Facilities shall not exceed One Billion Dollars ($1,000,000,000); (ii) after giving effect to such Incremental Facility and the use of the proceeds thereof on a Pro Forma Basis (and, in the case of an Incremental Revolving Facility, assuming that such Incremental Revolving Facility is fully drawn), the Loan Parties would be in compliance with the financial covenants

set forth in Section 8.09 recomputed (x) as of the end of the period of the four fiscal quarters most recently ended prior to the effective date of such Incremental Facility for which the Company has delivered financial statements pursuant to Section 7.09(a) or (b) or (y) in the case of an Incremental Term Facility the proceeds of which are designated by the Company in writing to the Administrative Agent to be used to finance a Limited Condition Transaction, at the option of the Company, as of the end of the period of the four fiscal quarters most recently ended prior to the LCT Test Date for which the Company has delivered financial statements pursuant to Section 7.09(a) or (b); (iii) no Event of Default shall exist on the effective date of such Incremental Facility or would exist after giving effect to such Incremental Facility, provided that in the case of an Incremental Term Facility the proceeds of which are designated by the Company in writing to the Administrative Agent to be used to finance a Limited Condition Transaction, at the option of the Company, the requirement pursuant to this subclause (iii) shall be satisfied if no Event of Default shall have occurred and be continuing on the LCT Test Date and no Event of Default under Section 9.01 or Section 9.07 shall have occurred and be continuing on the date of the Borrowing of such Incremental Term Facility; (iv) the representations and warranties of each Loan Party contained in the Credit Documents, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the effective date of such Incremental Facility, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 2.20, the representations and warranties contained in Section 6.13 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.09, provided that in the case of an Incremental Term Facility the proceeds of which are designated by the Company in writing to the Administrative Agent to be used to finance a Limited Condition Transaction, the requirement under this subclause (iv) shall be tested on the LCT Test Date and only the Specified Representations and the Specified Acquisition Representations shall be required to be true and correct on and as of the effective date of such Incremental Facility; (v) no existing Lender shall be under any obligation to provide a commitment to any Incremental Facility and any such decision whether to provide a commitment to an Incremental Facility shall be in such Lender's sole and absolute discretion; (vi) each Person providing a commitment to an Incremental Facility shall qualify as an Eligible Assignee; (vii) if requested by the Administrative Agent, the Company shall deliver to the Administrative Agent (A) a certificate of each Loan Party dated as of the date of such Incremental Facility signed by an Executive Officer of such Loan Party certifying and attaching resolutions adopted by the board of directors or equivalent governing body of such Loan Party approving such Incremental Facility and (B) customary opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender (including each Incremental Lender), dated as of the effective date of such Incremental Facility; (viii) in the case of an Incremental Term Facility, (A) the final maturity date for such Incremental Term Facility shall not be earlier than the Maturity Date of the Term Loan, (B) except in the case of an Incremental Term Facility effected as an increase to the Term Loan, the weighted average life to maturity of such Incremental Term Facility shall be no shorter than the remaining weighted average life to maturity of the Term Loan, (C) such Incremental Term Facility shall share ratably in mandatory prepayments of the Term Loan pursuant to Section 2.05 (or otherwise provide for more favorable prepayment treatment for the Term Loan) and shall have ratable voting rights as the Term Loan (or otherwise provide for more favorable voting rights for the Term Loan) and (D) subject to the foregoing clauses, the other terms of such Incremental Term Facility (including interest rate, interest rate margins, interest rate floors, fees, original issue discount, call protection or prepayment penalty, amortization and final maturity date) shall be as agreed by the Company and the Incremental Lenders; and (ix) in the case of an Incremental Revolving Facility, (A) each Incremental Revolving Facility shall have substantially the same terms as and be deemed to be Revolving Commitments for all purposes of this Agreement and (B) if any Revolving Loans are outstanding on the date of such increase, (x) each Incremental Lender shall make Revolving Loans, the proceeds of which shall be applied by the Administrative Agent to prepay Revolving Loans of the existing Lenders, in an amount necessary such that after giving effect thereto the outstanding Revolving Loans are held ratably among all of the Lenders with a Revolving Commitment

and (y) the applicable Borrower shall pay an amount required pursuant to Section 3.05 as a result of any such prepayment of Revolving Loans of existing Lenders.

The Incremental Facility Commitments and credit extensions thereunder shall constitute Commitments and Credit Extensions under, and shall be equally and ratably with the other Commitments and Credit Extensions entitled to all the benefits afforded by, this Agreement and the other Credit Documents.

The Lenders hereby authorize the Administrative Agent to enter into, and the Lenders agree that this Agreement and the other Credit Documents shall be amended by, each Incremental Facility Amendment to the extent the Administrative Agent deems necessary in order to establish the applicable Incremental Facility and to effect such other changes agreed by the Company and the Incremental Lenders and approved by the Administrative Agent.

The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

The Administrative Agent shall notify the Lenders of the effectiveness of any Incremental Facility.

2.20 Refinancing Amendments.

At any time after the Closing Date, the Borrowers may obtain, from any Lender or any Additional Lender (it being understood that no Lender shall be required to provide any Other Loan without its consent), Other Loans to refinance all or any portion of the applicable Class or Classes of Loans then outstanding under this Agreement which will be made pursuant to Other Term Loan Commitments, in the case of Other Term Loans, and pursuant to Other Revolving Commitments, in the case of Other Revolving Loans, in each case pursuant to a Refinancing Amendment; *provided* that such Other Loans and Other Commitments (i) shall rank equal in priority in right of payment with the other Loans and Commitments hereunder, (ii) shall be unsecured or rank *pari passu* (without regard to the control of remedies) with the Obligations under this Agreement, (iii) shall not have any obligors in respect thereof other than the Borrowers and/or the Guarantors, (iv)(A) shall have interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, funding discounts, original issue discounts and prepayment premiums as may be agreed by the Company and the Lenders thereof and/or (B) may provide for additional fees and/or premiums payable to the Lenders providing such Other Loans in addition to any of the items contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Refinancing Amendment, (v) may have optional prepayment terms (including call protection and prepayment premiums) as may be agreed between the Company and the Lenders thereof, (vi) will have a final maturity date no earlier than, and, in the case of Other Term Loans, will have a weighted average life to maturity equal to or greater than, the term loans or revolving commitments being refinanced, (vii) such Other Term Loans may contain mandatory prepayments provided that such mandatory prepayment shall be no less favorable to the Company than the mandatory prepayments applicable to the term loans being refinanced and such Other Term Loans shall be share ratably in such mandatory prepayments with the outstanding term loans under this Agreement (or otherwise provide for more favorable prepayment treatment for the outstanding term loans under this Agreement).

and (viii) will have such other terms and conditions (other than as provided in foregoing clauses (ii) through (vii)) that either, at the option of the Company, (1) reflect market terms and conditions (taken as a whole) at the time of incurrence of such Other Loans or Other Commitments (as determined by the Company in good

faith) or (2) if otherwise not consistent with the terms of such Class of Loans or Commitments being refinanced, not be materially more restrictive to the Company (as determined by the Company in good faith), when taken as a whole, than the terms of such Class of Loans or Commitments being refinanced, except to the extent necessary to provide for covenants and other terms applicable to any period after the latest maturity date of the Loans in effect immediately prior to such refinancing. Any Other Term Loans may participate on a pro rata basis, less than a pro rata basis but not greater than pro rata basis in any mandatory prepayments of Term Loans hereunder, as specified in the applicable Refinancing Amendment. All Other Revolving Commitments shall provide that all Borrowings under the Revolving Commitments and Other Revolving Commitments and repayments thereunder shall be made on a pro rata basis (except for (1) payments of interest and fees at different rates on Other Revolving Commitments (and related outstanding Other Revolving Loans), (2) repayments required upon the Maturity Date of the Revolving Commitments and Other Revolving Commitments, (3) repayments made in connection with any refinancing of Revolving Commitments or Other Revolving Commitments and (4) repayment made in connection with a permanent repayment and termination of Commitments or Other Commitments).

(a) Each Class of Other Commitments and Other Loans incurred under this Section 2.21 shall be in an aggregate principal amount that is not less than $50,000,000. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Other Commitments and Other Loans incurred pursuant thereto (including any amendments necessary to treat the Other Loans and/or Other Commitments as Loans and Commitments). Any Refinancing Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Company, to effect the provisions of this Section 2.21.

(b) No Refinancing Amendment shall become effective unless (i) each Person providing an Other Loan or Other Commitment thereunder shall qualify as an Eligible Assignee, (ii) no Event of Default shall have occurred and be continuing on the date of effectiveness thereof, (iii) on the date of effectiveness thereof, the representations and warranties of the Borrowers and each other Loan Party contained in Article VI or any other Credit Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 2.21, the representations and warranties contained in Section 6.13 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.09, (iv) the Loan Parties shall have delivered to the Administrative Agent such legal opinions, board resolutions, secretary's certificates and other documents as shall be requested by the Administrative Agent or the Lenders party to such Refinancing Amendment, (v) with respect to an Other Term Loan, substantially concurrently with the effectiveness thereof, the Company shall prepay then outstanding Term Loan or previously incurred Other Term Loan in an aggregate principal amount equal to the aggregate principal amount of the Other Term Loan then being incurred; provided that the principal amount of an Other Term Loan shall not exceed the amount of the Term Loan or previously incurred Other Term Loan so refinanced (plus the aggregate amount of accrued and unpaid interest with respect to such outstanding Term Loan or previously incurred Other Term Loan, fees, expenses, commissions, underwriting discounts and premiums payable in connection therewith) and (vi) with respect to Other Revolving Commitments, substantially concurrently with the effectiveness thereof, the Company shall terminate an equivalent amount of Revolving Commitments and shall, to the extent necessary, repay or prepay then outstanding Revolving Loans in an aggregate principal amount such that after giving effect to such prepayment, the Revolving Lenders and the Lenders holding Other Revolving Commitments hold

outstanding Revolving Loans ratably in accordance with the outstanding Revolving Commitments and the outstanding Other Revolving Commitments; provided further that (x) at no time shall there be more than two Classes of revolving commitments hereunder unless otherwise agreed by the Administrative Agent. With respect to any prepayment of the Term Loan or Other Term Loan in accordance with clause (iv) above, the Company shall determine the amount of such prepayments allocated to the outstanding Term Loan and Other Term Loans, and any such prepayment of the Term Loan and Other Term Loans shall be applied to the principal repayment installments of the Term Loan and Other Term Loans in direct order of maturity (or such other order as may be specified by the Company).

(c) This Section 2.21 shall supersede any provisions in Section 2.13 or Section 11.01 to the contrary. For the avoidance of doubt, any of the provisions of this Section 2.21 may be amended with the consent of the Required Lenders.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes. For the purposes of this Section 3.01, the term "applicable laws" includes FATCA.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Internal Revenue Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Internal Revenue Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Internal Revenue Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below,

(B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, each of Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications. (i) Each of the Loan Parties shall, and does hereby, indemnify each Recipient, and shall make payment in respect thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Company by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error. Each of the Loan Parties shall, and does hereby, indemnify the Administrative Agent, and shall make payment in respect thereof within ten (10) days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(i) Each Lender and the L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within ten (10) days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of each of the Loan Parties to do so), (y) the Administrative Agent and the Loan Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Parties, as applicable, against any Excluded Taxes attributable to such Lender or the L/C Issuer, in each case, that are payable or paid by the Administrative Agent or any Loan Party in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Credit Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by a Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by such Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, such Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to such Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to such Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation. (i) Each Lender shall deliver to the Borrowers and to the Administrative Agent, at the time or times prescribed by applicable Laws or when reasonably requested by a Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit such Borrower or the Administrative Agent, as the case may be, to determine (A) whether or not payments made hereunder or under any other Credit Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by a Borrower pursuant to this Agreement or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to such Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender 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 recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed originals of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal

withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) executed originals of Internal Revenue Service Form W-8ECI,

(III) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation,

(IV) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit 3.01-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of such Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(V) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit 3.01-2 or Exhibit 3.01-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 3.01-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender 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 recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit such Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to such Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation

prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(ii) Each Lender agrees that if any form of certification is previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Company and the Administrative Agent of its legal inability to do so.

(iii) Each Lender shall promptly (A) notify the Company and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws of any jurisdiction that any Borrower or the Administrative Agent make any withholding or deduction for taxes from amounts payable to such Lender.

(iv) Each of the Borrowers shall promptly deliver to the Administrative Agent or any Lender, as the Administrative Agent or such Lender shall reasonably request, on or prior to the Closing Date (or such later date on which it first becomes a Borrower), and in a timely fashion thereafter, such documents and forms required by any relevant taxing authorities under the Laws of any jurisdiction, duly executed and completed by such Borrower, as are required to be furnished by such Lender or the Administrative Agent under such Laws in connection with any payment by the Administrative Agent or any Lender of Taxes or Other Taxes, or otherwise in connection with the Credit Documents, with respect to such jurisdiction.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer, as the case may be. If any Recipient 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 by any Borrower or with respect to which any Borrower has paid additional amounts pursuant to this Section 3.01, it shall pay to any Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) and net of any loss or gain realized in the conversion of such funds from or to another currency incurred by the Administrative Agent, such Lender or the L/C Issuer, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Recipient, agrees to repay the amount paid over to such Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the applicable Borrower pursuant to this subsection the payment of which would place the Recipient

in a less favorable net after-Tax position than such Recipient 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 subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality.

(a) If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurocurrency Rate (whether denominated in Dollars or an Alternative Currency), or to determine or charge interest rates based upon the Eurocurrency Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Alternative Currency in the applicable interbank market, then, on notice thereof by such Lender to the Company through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurocurrency Rate Loans in the affected currency or currencies or, in the case of Eurocurrency Rate Loans in Dollars, to convert Base Rate Loans to Eurocurrency Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurocurrency Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurocurrency Rate component of the Base Rate, in each case 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, (x) the Borrowers shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable and such Loans are denominated in Dollars, convert all Eurocurrency Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurocurrency Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurocurrency Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurocurrency Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurocurrency Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurocurrency Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurocurrency Rate. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted.

(b) If, in any applicable jurisdiction, the Administrative Agent, the L/C Issuer or any Lender or any Designated Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Administrative Agent, the L/C Issuer or any Lender or its applicable Designated Lender to (i) perform any of its obligations hereunder or under any other Credit Document, (ii) to fund or maintain its participation in any Loan or (iii) issue, make, maintain, fund or charge interest with respect to any Credit Extension, such Person shall promptly notify the Administrative Agent, then, upon the Administrative Agent notifying the Company, and until such notice by such Person is revoked, any obligation

of such Person to issue, make, maintain, fund or charge interest with respect to any such Credit Extension shall be suspended, and to the extent required by applicable Law, cancelled. Upon receipt of such notice, the Loan Parties shall, (A) repay that Person's participation in the Loans or other applicable Obligations on the last day of the Interest Period for each Loan or other Obligation occurring after the Administrative Agent has notified the Company or, if earlier, the date specified by such Person in the notice delivered to the Administrative Agent (being no earlier than the last day of any applicable grace period permitted by applicable Law) and (B) take all reasonable actions requested by such Person to mitigate or avoid such illegality.

3.03 Inability to Determine Rates.

If in connection with any request for a Eurocurrency Rate Loan or a conversion to or continuation thereof, (a) (i) the Administrative Agent determines that deposits (whether in Dollars or an Alternative Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such Eurocurrency Rate Loan, or (ii) adequate and reasonable means do not exist for determining the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan (whether denominated in Dollars or an Alternative Currency) or in connection with an existing or proposed Base Rate Loan (in each case with respect to clause (a) above, "Impacted Loans"), or (b) the Administrative Agent or the Required Lenders determine that for any reason the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Eurocurrency Rate Loan, the Administrative Agent will promptly so notify the Company and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the affected currency or currencies shall be suspended, (to the extent of the affected Eurocurrency Rate Loans or Interest Periods), and (y) in the event of a determination described in the preceding sentence with respect to the Eurocurrency Rate component of the Base Rate, the utilization of the Eurocurrency Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Company may revoke any pending request for a Borrowing of, conversion to or continuation of Eurocurrency Rate Loans in the affected currency or currencies (to the extent of the affected Eurocurrency Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in this section, the Administrative Agent, in consultation with the Company and the Required Lenders, may establish an alternative interest rate for the Impacted Loans**,** in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (a) of the first sentence of this section, (2) the Required Lenders notify the Administrative Agent and the Company that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Company written notice thereof.

3.04 Increased Costs.

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

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurocurrency Rate) or the L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurocurrency Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurocurrency Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Company will pay (or cause the applicable Designated Borrower to pay) to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swing Line Loans held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy and liquidity), then from time to time the Company will pay (or cause the applicable Designated Borrower to pay) to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Company shall be conclusive absent manifest error. The Company shall pay (or cause the applicable Designated Borrower to pay) such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation, provided that no Borrower shall be required

to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Company of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Additional Reserve Requirements. The Company shall pay (or cause the applicable Designated Borrower to pay) to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of the FRB or any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Eurocurrency Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Company shall have received at least ten (10) days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. If a Lender fails to give notice ten (10) days prior to the relevant Interest Payment Date, such additional costs shall be due and payable ten (10) days from receipt of such notice.

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Company shall promptly compensate (or cause the applicable Designated Borrower to compensate) such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by any Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Company or the applicable Designated Borrower; or

(c) any failure by any Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Company pursuant to Section 11.13;

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan, from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Company shall also pay (or cause the applicable Designated Borrower to pay) any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Company (or the applicable Designated Borrower) to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurocurrency Rate Loan made by it at the Eurocurrency Base Rate used in determining the Eurocurrency

Rate for such Loan by a matching deposit or other borrowing in the offshore interbank market for such currency for a comparable amount and for a comparable period, whether or not such Eurocurrency Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender, the L/C Issuer or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Company such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. The Company hereby agrees to pay (or to cause the applicable Designated Borrower to pay) all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 3.06(a), the Company may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrowers' obligations under this Article III shall survive termination of the Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

3.08 New Zealand Borrowers.

Notwithstanding anything to the contrary contained in this Agreement, each Borrower that is organized and existing under the laws of New Zealand will, by no later than the first date that any payment of interest (or payment deemed by law to be interest) is due under this Agreement by each such Borrower:

(a) register as an "approved issuer" (as defined in section YA1 of the Income Tax Act 2007 (New Zealand)); and

(b) register this Agreement with the Commissioner of Inland Revenue under section 86H of the Stamp and Cheque Duties Act 1971 (New Zealand),

and shall, in respect of any payment of interest (or payment deemed by law to be interest) to Lenders who are not resident in New Zealand for taxation purposes and who are not engaged in business in New Zealand through a fixed establishment to which the lending is connected and are not New Zealand registered banks (but including any such Lenders that are eligible for an exemption from tax on that interest under a double tax agreement (as defined in section YA 1 of the Income Tax Act 2007) if that exemption is dependent on the payment of approved issuer levy), make the relevant

payment of approved issuer levy (as defined in section 86F of the Stamp and Cheque Duties Act 1971 (New Zealand)) in accordance with section 86K of that Act in order to reduce (to the extent permitted by law) the applicable level of tax imposed by New Zealand to zero percent, provided that, for the avoidance of doubt, no such Borrower may deduct the amount of such approved issuer levy from that payment of interest (or payment deemed by law to be interest).

3.09 Withholding Taxes.

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

ARTICLE IV

GUARANTY

4.01 The Guaranty.

Each of the Guarantors hereby jointly and severally guarantees to each Lender, each Swap Bank, each Treasury Management Bank, and the Administrative Agent as hereinafter provided, as primary obligor and not as surety, the prompt payment of the Obligations in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) strictly in accordance with the terms thereof. The Guarantors hereby further agree that if any of the Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Credit Documents, Swap Contracts or Treasury Management Agreements, the obligations of each Guarantor under this Agreement and the other Credit Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law.

4.02 Obligations Unconditional.

The obligations of the Guarantors under Section 4.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Credit Documents, Swap Contracts or Treasury Management Agreements, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Company or any other Guarantor for amounts paid under this Article IV until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of

the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank, or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements shall be done or omitted;

(c) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements shall be waived or any other guarantee of any of the Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(d) any Lien granted to, or in favor of, the Administrative Agent or any Lender or Lenders as security for any of the Obligations shall fail to attach or be perfected; or

(e) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Credit Documents, any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank or any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank, or any other agreement or instrument referred to in the Credit Documents, such Swap Contracts or such Treasury Management Agreements, or against any other Person under any other guarantee of, or security for, any of the Obligations.

4.03 Reinstatement.

The obligations of the Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

4.04 Certain Additional Waivers.

Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 4.02 and through the exercise of rights of contribution pursuant to Section 4.06.

4.05 Remedies.

The Guarantors agree that, to the fullest extent permitted by law, as between the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, the Obligations may be declared to be forthwith due and payable as provided in Section 9.15 (and shall be deemed to have become automatically due and payable in the circumstances provided in said Section 9.15) for purposes of Section 4.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Obligations being deemed to have become automatically due and payable), the Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 4.01.

4.06 Rights of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable law. Such contribution rights shall be subordinate and subject in right of payment to the obligations of such Guarantors under the Credit Documents and no Guarantor shall exercise such rights of contribution until all Obligations have been paid in full and the Commitments have terminated.

4.07 Guarantee of Payment; Continuing Guarantee.

The guarantee in this Article IV is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to all Obligations whenever arising.

4.08 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty in this Article IV by any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (a "Specified Loan Party") or the grant of a security interest under the Credit Documents by any such Specified Loan Party, in either case, becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Credit Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article IV voidable under applicable Debtor Relief Laws, and not for any greater amount). The obligations and undertakings of each applicable Loan Party under this Section 4.08 shall remain in full force and effect until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Each Loan Party intends this Section 4.08 to constitute, and this Section 4.08 shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

4.09 Appointment of Company.

Each of the Loan Parties hereby appoints the Company to act as its agent for all purposes of this Agreement, the other Credit Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Company may execute such documents and provide such authorizations on behalf of such Loan Parties as the Company deems appropriate in its sole discretion and each Loan Party shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by the Administrative Agent, L/C Issuer or a Lender to the Company shall be deemed delivered to each Loan Party and (c) the Administrative Agent, L/C Issuer or the Lenders may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Company on behalf of each of the Loan Parties.

## ARTICLE V

## CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

5.01 Conditions of Effectiveness.

This Agreement shall become effective upon satisfaction of the following conditions precedent:

(a) Credit Documents. Receipt by the Administrative Agent of executed counterparts of this Agreement and the other Credit Documents, each properly executed by an Executive Officer of the signing Loan Party and, in the case of this Agreement, by each Lender.

(b) Opinions of Counsel. Receipt by the Administrative Agent of favorable opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent.

(c) Organization Documents, Resolutions, Etc. Receipt by the Administrative Agent of the following, each of which shall be originals or facsimiles (followed promptly by originals), in form and substance satisfactory to the Administrative Agent and its legal counsel:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Closing Date;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Executive Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Executive Officer thereof authorized to act as an Executive Officer in connection with this Agreement and the other Credit Documents to which such Loan Party is a party; and

(iii) such documents and certifications as the Administrative Agent may require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation.

(d) Fees. Receipt by the Administrative Agent, each of the Joint Lead Arrangers and the Lenders, as applicable, of any fees required to be paid on or before the Closing Date (or arrangements reasonably satisfactory to the Joint Lead Arrangers shall have been made to effect the foregoing).

(e) Attorney Costs. Unless waived by the Administrative Agent or arrangements reasonably satisfactory to the Joint Lead Arrangers shall have been made to effect such payment, the Company shall have paid all fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced at least one (1) Business Day prior to the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(f) Know Your Customer Information. Receipt by the Lenders, in form and substance reasonably satisfactory to the Lenders, documentation and other information that is required by regulatory authorities under applicable "know your customer", anti-money laundering and anti-terrorism rules and regulations, including without limitation, the Patriot Act.

(g) Target Acquisition Documents. The Administrative Agent shall have received a copy of each of the Target Acquisition Documents, certified by an Executive Officer as being true, correct and complete copies thereof as of the Closing Date.

(h) Payment of Accrued Interest and Fees under Existing Credit Agreement. The Administrative Agent shall have received reasonably satisfactory evidence that, all accrued interest and fees under the Existing Credit Agreement shall be paid in full on or prior to the Closing Date.

Without limiting the generality of the provisions of the last paragraph of Section 10.03, for purposes of determining compliance with the conditions specified in this Section 5.01, 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.

5.02 Conditions to Advance of the Term Loan.

The obligation of the each Lender to advance its portion of the Term Loan on the Term Loan Funding Date is subject to satisfaction (or waiver in accordance with Section 11.01) of the following conditions precedent:

(a) Closing Date. The Closing Date shall have occurred.

(b) Loan Notice. The Administrative Agent shall have received a Loan Notice for the Term Loan in accordance with the requirements hereof.

(c) Antitrust Condition. If the "Polish Closing" (as defined in the Target Acquisition Agreement) occurs prior to the "Target Date" (as defined in the Target Acquisition Agreement), the Administrative Agent shall have received a certificate of the Company confirming that the "Antitrust Condition" (as defined in the Target Acquisition Agreement) has been satisfied or waived by the parties to the Target Acquisition Agreement.

(d) No Certain Funds Default; Certain Funds Representations. On the Term Loan Funding Date (i) no Certain Funds Default is continuing or would result from the proposed Borrowing and (ii) all the Certain Funds Representations shall be true and correct or, if a Certain Funds Representation does not include a materiality concept, true and correct in all material respects.

(e) Target Acquisition. The Target Acquisition shall have been, or substantially concurrently with the occurrence of the Term Loan Funding Date shall be, consummated in all material respects in accordance with the terms and conditions of the Target Acquisition Agreement (it being understood that substantially concurrently shall include the Target Acquisition being consummated no more than four (4) Business Days after the advance of the Term Loan), without giving effect to (and there shall not have been) any modifications, amendments, consents or waivers by the Company (or its applicable Affiliate) thereunder that are materially adverse to the interests of the Lenders (it being understood and agreed that the following shall not be deemed to be materially adverse to the interests of the Lenders: (i) any increase in the purchase price funded with the issuance of any equity securities by the Company or any of its Subsidiaries; (ii) any increase in the purchase price funded other than through the issuance of equity securities by the Company or any of its Subsidiaries of not more than 5.0%; and (iii) any decrease in the purchase price of not more than 10.0%; provided that such decrease shall be allocated to reduce the Term Loan as agreed between the Company and the Joint Lead Arrangers), without the prior written consent of the Administrative Agent.

(f) Termination of Existing Indebtedness. The Administrative Agent shall have received a customary payoff letter (or similar documentation) with respect to, and reasonably satisfactory evidence that, the Existing Target Indebtedness (except in respect of clause (c) of the definition thereof in respect of which the Company has elected to retain) shall be repaid in full and all security interests related thereto shall be terminated on or prior to the Term Loan Funding Date (or arrangements reasonably satisfactory to the Joint Lead Arrangers shall have been made to effect the foregoing).

(g) Fees. Receipt by the Administrative Agent, each of the Joint Lead Arrangers and the Lenders, as applicable, of any fees required to be paid on or before the Term Loan Funding Date.

( h ) Attorney Costs. Unless waived by the Administrative Agent, the Company shall have paid all fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced at least one (1) Business Day prior to the Term Loan Funding Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

5.03 Conditions to all Credit Extensions.

The obligation of each Lender to honor any Request for Credit Extension (other than the advance of the Term Loan which shall be subject solely to the conditions set forth in Section 5.02) is subject to the following conditions precedent:

(a) The representations and warranties of the Borrowers and each other Loan Party contained in Article VI or any other Credit Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct 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 as of such earlier date, and except that for purposes of this Section 5.03, the representations and warranties contained in Section 6.13 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.09.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the L/C Issuer and/or the applicable Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) If the applicable Borrower is a Designated Borrower, then the conditions of Section 2.16 to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Administrative Agent.

(e) There shall be no impediment, restriction, limitation or prohibition imposed under Law or by any Governmental Authority, as to the proposed financing under this Agreement or the repayment thereof or as to rights created under any Credit Document or as to application of the proceeds of the realization of any such rights.

(f) If the applicable Borrower is a Designated Borrower, then the conditions of Section 2.16 to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Administrative Agent.

(g) In the case of a Credit Extension to be denominated in currency that is an Alternative Currency, such currency remains an Eligible Currency.

Each Request for Credit Extension submitted by the Company (other than the Loan Notice for the advance of the Term Loan) shall be deemed to be a representation and warranty that the conditions specified in Sections 5.03(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

5.04 Actions by Lenders during the Certain Funds Period. During the Certain Funds Period and notwithstanding (x) any provision to the contrary in the Credit Documents or (y) that any condition set out in Sections 5.01, 5.02 or 5.03 may subsequently be determined to not have been satisfied or any representation given was incorrect in any respect, none of the Lenders nor the Administrative Agent shall, unless a Certain Funds Default has occurred and is continuing or would result from a proposed Borrowing or a Certain Funds Representation remains incorrect or, if a Certain Funds Representation does not include a materiality concept, incorrect in any material respect, be entitled to:

(a) cancel or reduce any of its Term Loan Commitment;

(b) rescind, terminate or cancel the Credit Documents or the Term Loan Commitment or exercise any similar right or remedy or make or enforce any claim under the Credit Documents it may have to the extent to do so would prevent or limit (i) the making of the Term Loan for Certain Funds Purposes or (ii) the application of amounts standing to the credit of an Escrow Account for Certain Funds Purposes;

(c) refuse to participate in the making of the Term Loan for Certain Funds Purposes unless the conditions set forth in Section 5.02 have not been satisfied;

(d) exercise any right of set-off or counterclaim in respect of the Term Loan to the extent to do so would prevent or limit (i) the making of the Term Loan for Certain Funds Purposes or (ii) the application of amounts standing to the credit of an Escrow Account for Certain Funds Purposes; or

(e) cancel, accelerate or cause repayment or prepayment of any amounts owing under any Credit Document to the extent to do so would prevent or limit (i) the making of the Term Loan for Certain Funds Purposes or (ii) the application of amounts standing to the credit of an Escrow Account for Certain Funds Purposes;

provided that immediately upon the expiry of the Certain Funds Period all such rights, remedies and entitlements shall be available to the Lenders and the Administrative Agent notwithstanding that they may not have been used or been available for use during the Certain Funds Period.

## ARTICLE VI

## REPRESENTATIONS AND WARRANTIES

Each Loan Party, with respect to itself and its Subsidiaries notwithstanding anything to the contrary contained herein, represents and warrants as follows:

6.01 Organizational Existence; Compliance with Law. Each Loan Party (i) is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, (ii) has the corporate or other organizational power and authority and the legal right to own and operate its property and to conduct its business, (iii) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership of property or the conduct of its business requires such qualification, except where a failure to be so qualified would not have a Materially Adverse Effect, and (iv) is in compliance with all Requirements of Law except (other than with respect to compliance with OFAC and the Patriot Act, which are governed by Section 6.23) where the failure be in compliance would not have a Materially Adverse Effect.

6.02 Organizational Power; Authorization. Each Loan Party has the corporate or other organizational power and authority to make, deliver and perform the Credit Documents and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents. No consent or authorization of, or filing with, any Person (including, without limitation, any governmental authority), is required in connection with the execution, delivery or performance by such Loan Party, or the validity or enforceability against the Loan Parties of the Credit Documents, other than such consents, authorizations or filings which have been made or obtained.

6.03 Enforceable Obligations. This Agreement has been duly executed and delivered, and each other Credit Document will be duly executed and delivered, by the Loan Parties party thereto, and this Agreement constitutes, and each other Credit Document when executed and delivered will constitute, legal, valid and binding obligations of each Loan Party thereto, enforceable against it in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

6.04 No Legal Bar. The execution, delivery and performance by each Loan Party of the Credit Documents to which it is a party will not violate any Requirement of Law or cause a breach or default under (a) any agreement or indenture evidencing Indebtedness of any Loan Party in an aggregate principal amount of the Dollar Equivalent of (i) prior to the Term Loan Funding Date, $50,000,000 or more and (ii) on and after the Term Loan Funding Date, $75,000,000 or more or (b) any Material Contractual Obligations.

6.05 No Material Litigation. No litigation, investigations or proceedings of or before any courts, tribunals, arbitrators or governmental authorities are pending or, to the knowledge of any of the Loan Parties, threatened by or against any of the Consolidated Companies, or against any of their respective properties or

revenues, existing or future (a) with respect to any Credit Document, or any of the transactions contemplated hereby or thereby, or (b) which, if adversely determined, would reasonably be expected to have a Materially Adverse Effect.

6.06 Investment Company Act, Etc.

(a) None of the Loan Parties is an "investment company" or a company "controlled" by an "investment company" (as each of the quoted terms is defined or used in the Investment Company Act of 1940, as amended).

(b) None of the Loan Parties is subject to regulation under the Federal Power Act, or any foreign, federal or local statute or regulation limiting its ability to incur indebtedness for money borrowed, guarantee such indebtedness, or pledge its assets to secure such indebtedness, as contemplated hereby or by any other Credit Document.

6.07 Margin Regulations. No part of the proceeds of any of the Loans or the Letters of Credit will be used for any purpose which violates, or which would be inconsistent or not in compliance with, the provisions of the Margin Regulations.

6.08 Compliance With Environmental Laws.

(a) The Consolidated Companies have received no notices of claims or potential liability under, and are in compliance with, all applicable Environmental Laws, where such claims and liabilities under, and failures to comply with, such statutes, regulations, rules, ordinances, laws or licenses, would reasonably be expected to result in penalties, fines, claims or other liabilities (including, without limitation, remediation costs and expenses) to the Consolidated Companies that have had or would reasonably be expected to have a Materially Adverse Effect.

(b) None of the Consolidated Companies has received during the period from January 1, 1988 through the date of this Agreement, any notice of violation, or notice of any action, either judicial or administrative, from any governmental authority (whether United States or foreign) relating to the actual or alleged violation of any Environmental Law, including, without limitation, any notice of any actual or alleged spill, leak, or other release of any Hazardous Substance, waste or hazardous waste by any Consolidated Company or its employees or agents, or as to the existence of any contamination on any properties owned by any Consolidated Company, where any such violation, spill, leak, release or contamination would reasonably be expected to result in penalties, fines, claims or other liabilities (including, without limitation, remediation costs and expenses) to the Consolidated Companies that have had or would reasonably be expected to have a Materially Adverse Effect.

(c) The Consolidated Companies have obtained all necessary governmental permits, licenses and approvals which are material to the operations conducted on their respective properties, including without limitation, all required permits, licenses and approvals for (i) the emission of air pollutants or contaminates, (ii) the treatment or pretreatment and discharge of waste water or storm water, (iii) the treatment, storage, disposal or generation of hazardous wastes, (iv) the withdrawal and usage of ground water or surface water, and (v) the disposal of solid wastes, where a failure to obtain such permits, licenses and approvals would reasonably be expected to have a Materially Adverse Effect.

6.09 Insurance. Each Loan Party currently maintains insurance with respect to its properties and businesses, with financially sound and reputable insurers, having coverages against losses or damages of

the kinds customarily insured against by reputable companies in the same or similar businesses, such insurance being in amounts no less than those amounts which are customary for such companies under similar circumstances. The Consolidated Companies have paid all material amounts of insurance premiums now due and owing with respect to such insurance policies and coverages, and such policies and coverages are in full force and effect.

6.10 No Default.

(a) As of the Closing Date, no Loan Party is in default under or with respect to any Material Contractual Obligation.

(b) No Default has occurred and is continuing.

6.11 No Burdensome Restrictions. As of the Closing Date, none of the Consolidated Companies is a party to or bound by any Material Contractual Obligation or Requirement of Law which has had or would reasonably be expected to have a Materially Adverse Effect.

6.12 Taxes. Each of the Consolidated Companies have filed or caused to be filed all declarations, reports and tax returns which are required to have been filed, and has paid all taxes, custom duties, levies, charges and similar contributions ("taxes" in this Section 6.12) shown to be due and payable on said returns or on any assessments made against it or its properties, and all other taxes, fees or other charges imposed on it or any of its properties by any governmental authority (other than those the amount or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided in its books); and to the knowledge of the Borrowers, no tax liens have been filed and no claims are being asserted with respect to any such taxes, fees or other charges.

6.13 Financial Statements. The Company has furnished to the Administrative Agent (i) the audited consolidated balance sheet of the Consolidated Companies as at December 31, 2016 and the related consolidated statements of income, shareholders' equity and cash flows for the fiscal year then ended, including in each case the related schedules and notes, and (ii) the unaudited consolidated balance sheet of the Consolidated Companies as at the end of the June 30, 2017 fiscal quarter, and the related unaudited consolidated statements of income, shareholders' equity, and cash flows for the period then ended, setting forth in each case in comparative form the figures for the previous fiscal year and first fiscal quarter, as the case may be. The foregoing financial statements fairly present in all material respects the consolidated financial condition of such Consolidated Companies as at the dates thereof and results of operations for such periods in conformity with GAAP consistently applied (subject to normal year-end audit adjustments and the absence of certain footnotes with respect to such unaudited financial statements). Since December 31, 2016, there have been no changes with respect to such Consolidated Companies which have had or would reasonably be expected to have, singly or in the aggregate, a Materially Adverse Effect.

6.14 ERISA.

(a) (1) Compliance. Each Plan and each Foreign Plan maintained by the Consolidated Companies have at all times been maintained, by their terms and in operation, in compliance with all applicable laws, and the Consolidated Companies are subject to no tax or penalty with respect to any Plan of such Consolidated Company or any ERISA Affiliate thereof, including without limitation, any tax or penalty under Title I or Title IV of ERISA or under Chapter 43 of the Tax Code, or any tax or penalty resulting from a loss of deduction under Sections 162, 404, or 419 of the Tax Code, where the failure to comply with

such laws, and such taxes and penalties, together with all other liabilities referred to in this Section 6.14 (taken as a whole), would in the aggregate have a Materially Adverse Effect;

(1) Liabilities. The Consolidated Companies are subject to no liabilities (including withdrawal liabilities) with respect to any Plans or Foreign Plans of such Consolidated Companies or any of their ERISA Affiliates, including without limitation, any liabilities arising from Titles I or IV of ERISA, other than obligations to fund benefits under an ongoing Plan and to pay current contributions, expenses and premiums with respect to such Plans or Foreign Plans, where such liabilities, together with all other liabilities referred to in this Section 6.14 (taken as a whole), would in the aggregate have a Materially Adverse Effect;

(2) Funding. The Consolidated Companies and, with respect to any Plan which is subject to Title IV of ERISA, each of their respective ERISA Affiliates, have made full and timely payment of all amounts (A) required to be contributed under the terms of each Plan and applicable law, and (B) required to be paid as expenses (including PBGC or other premiums) of each Plan, where the failure to pay such amounts (when taken as a whole, including any penalties attributable to such amounts) would have a Materially Adverse Effect. No Plan subject to Title IV of ERISA has an "amount of unfunded benefit liabilities" (as defined in Section 4001(a)(18) of ERISA), determined as if such Plan terminated on any date on which this representation and warranty is deemed made, in any amount which, together with all other liabilities referred to in this Section 6.14 (taken as a whole), would have a Materially Adverse Effect if such amount were then due and payable. The Consolidated Companies are subject to no liabilities with respect to post-retirement medical benefits in any amounts which, together with all other liabilities referred to in this Section 6.14 (taken as a whole), would have a Materially Adverse Effect if such amounts were then due and payable.

(b) With respect to any Foreign Plan, reasonable reserves have been established in accordance with prudent business practice or where required by ordinary accounting practices in the jurisdiction where the Foreign Subsidiary maintains its principal place of business or in which the Foreign Plan is maintained. The aggregate unfunded liabilities, after giving effect to any reserves for such liabilities, with respect to such Foreign Plans, together with all other liabilities referred to in this Section 6.14 (taken as a whole), would not have a Materially Adverse Effect.

(c) Each Loan Party is not and will not be (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Internal Revenue Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Internal Revenue Code; (iv) a "governmental plan" within the meaning of ERISA; and (v) using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments.

6.15 Trademarks, Licenses, Etc. As of the Closing Date, (i) the Loan Parties have obtained and hold in full force and effect sufficient rights in all material trademarks, service marks, trade names, licenses and other similar property rights, free from burdensome restrictions that, to the best knowledge of the Loan Parties, are necessary for the operation of their respective businesses as presently conducted, and (ii) to the best knowledge of the Loan Parties, no product, process, method, service or other item presently sold by or employed by the Loan Parties in connection with such business infringes any patents, trademark, service mark, trade name, copyright, license or other right owned by any other Person and there is not presently

pending, or to the knowledge of the Loan Parties, threatened, any claim or litigation against or affecting the Loan Parties contesting such Person's right to sell or use any such product, process, method, service or other item where the result of such failure to obtain and hold such benefits or such infringement would have a Materially Adverse Effect.

6.16 Ownership of Property. Each Consolidated Company has marketable fee simple title to or a valid leasehold interest in all of its real property and marketable title to, or a valid leasehold interest in, all of its other property, as such properties are reflected in the consolidated balance sheet of the Consolidated Companies referred to in Section 6.13(ii), other than (i) properties disposed of in the ordinary course of business since such date or as otherwise permitted by the terms of this Agreement and (ii) with respect to any properties leased by the Consolidated Companies, except where a failure to have a valid leasehold interest in such property would not have a Materially Adverse Effect, subject to no Lien or title defect of any kind, except Permitted Liens and title defects not constituting material impairments in the intended use for such properties. The Consolidated Companies enjoy peaceful and undisturbed possession under all of their respective leases except whereas failure to have such possession would reasonably be expected to have a Materially Adverse Effect.

6.17 Indebtedness. As of the Closing Date, except for (a) Indebtedness described in the most recent filings made by the Company with the SEC, (b) Indebtedness described in the most recent public filings made by UAP with Canadian securities authorities, if any, and (c) Indebtedness specifically permitted pursuant to Section 8.01, none of the Consolidated Companies is an obligor in respect of any Indebtedness for borrowed money, or any commitment to create or incur any Indebtedness for borrowed money.

6.18 Financial Condition. On the Term Loan Funding Date and after giving effect to the Transactions, (a) assets of each Loan Party, at fair valuation and based on their present fair saleable value, will exceed its debts, including contingent liabilities (as such liabilities may be limited under the express terms of any guaranty of such Borrower), (b) the remaining capital of each Loan Party will not be unreasonably small to conduct its business, and (c) none of the Loan Parties will have incurred debts, or have intended to incur debts, beyond its ability to pay such debts as they mature. For purposes of this Section 6 18, "debt" means any liability on a claim, and "claim" means (x) the right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, or (y) the right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

6.19 Labor Matters. The Consolidated Companies have experienced no strikes, labor disputes, slow downs or work stoppages due to labor disagreements which have had, or would reasonably be expected to have, a Materially Adverse Effect, and, to the best knowledge of the Loan Parties, as of the Closing Date there are no such strikes, disputes, slow downs or work stoppages threatened against any Consolidated Company. The hours worked and payment made to employees of the Consolidated Companies have not been in violation of the Fair Labor Standards Act (in the case of Consolidated Companies that are not Foreign Subsidiaries) or any other applicable law dealing with such matters where a violation of such laws would have a Materially Adverse Effect. All payments due from the Consolidated Companies, or for which any claim may be made against the Consolidated Companies, on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as liabilities on the books of the Consolidated Companies where the failure to pay or accrue such liabilities would reasonably be expected to have a Materially Adverse Effect.

6.20 Payment or Dividend Restrictions. None of the Consolidated Companies is party to or subject to any agreement or understanding restricting or limiting the payment of any dividends or other distributions by any such Consolidated Company.

6.21 Disclosure. No representation or warranty contained in this Agreement or in any other document furnished from time to time pursuant to the terms of this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements herein or therein not misleading as of the date made or deemed to be made. Except as may be set forth herein, there is no fact known to the Loan Parties which has had, or is reasonably expected to have, a Materially Adverse Effect.

6.22 Taxpayer Identification Numbers; Other Identifying Information; Ownership of Subsidiaries.

(a) The true and correct U.S. taxpayer identification number of the Company and each Designated Borrower that is a Domestic Subsidiary and a party hereto on the Closing Date is set forth on Schedule 6.22. The true and correct unique identification number of each Designated Borrower that is a Foreign Subsidiary and a party hereto on the Closing Date that has been issued by its jurisdiction of organization and the name of such jurisdiction are set forth on Schedule 6.22.

(b) Schedule 6.22 sets forth the name of, the ownership interest of the Company in, the jurisdiction of incorporation or organization of, and the type of, each Subsidiary and identifies each Subsidiary that is a Loan Party, in each case as of the Closing Date.

6.23 Sanctions Concerns and Anti-Corruption Laws.

(a) Sanctions Concerns. No Loan Party, nor any Subsidiary, nor, to the knowledge of the Loan Parties and their Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction. The Loan Parties have instituted and maintain policies and procedures designed to promote and achieve compliance with Sanctions and laws related thereto.

(b) Anti-Corruption Laws. The Loan Parties and their Subsidiaries have conducted their business in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, and have instituted and maintain policies and procedures designed to promote and achieve compliance with such laws.

6.24 EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

6.25 Anti-Money Laundering Laws. None of the Loan Parties or any of their Affiliates (a) is under investigation by any Governmental Authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any applicable law (collectively, "Anti-Money Laundering Laws"), (b) has been assessed civil penalties under any Anti-Money Laundering Laws or (c) has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. Each of the Loan Parties have instituted and maintain policies and

procedures designed to ensure that such Loan Party and its Subsidiaries each is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws.

6.26 Representations as to Foreign Borrowers. Each of the Company and each Foreign Borrower represents and warrants to the Administrative Agent and the Lenders that:

(a) Such Foreign Borrower is subject to civil and commercial Laws with respect to its obligations under this Agreement and the other Credit Documents to which it is a party (collectively as to such Foreign Borrower, the "Applicable Foreign Borrower Documents"), and the execution, delivery and performance by such Foreign Borrower of the Applicable Foreign Borrower Documents constitute and will constitute private and commercial acts and not public or governmental acts. Neither such Foreign Borrower nor any of its property has any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of the jurisdiction in which such Foreign Borrower is organized and existing in respect of its obligations under the Applicable Foreign Borrower Documents.

(b) The Applicable Foreign Borrower Documents are in proper legal form under the Laws of the jurisdiction in which such Foreign Borrower is organized and existing for the enforcement thereof against such Foreign Borrower under the Laws of such jurisdiction, and to ensure the legality, validity, enforceability, priority or admissibility in evidence of the Applicable Foreign Borrower Documents. It is not necessary to ensure the legality, validity, enforceability, priority or admissibility in evidence of the Applicable Foreign Borrower Documents that the Applicable Foreign Borrower Documents be filed, registered or recorded with, or executed or notarized before, any court or other authority in the jurisdiction in which such Foreign Borrower is organized and existing or that any registration charge or stamp or similar tax be paid on or in respect of the Applicable Foreign Borrower Documents or any other document, except for (i) any such filing, registration, recording, execution or notarization as has been made or is not required to be made until the Applicable Foreign Borrower Document or any other document is sought to be enforced and (ii) any charge or tax as has been timely paid.

(c) There is no tax, levy, impost, duty, fee, assessment or other governmental charge, or any deduction or withholding, imposed by any Governmental Authority in or of the jurisdiction in which such Foreign Borrower is organized and existing either (i) on or by virtue of the execution or delivery of the Applicable Foreign Borrower Documents or (ii) on any payment to be made by such Foreign Borrower pursuant to the Applicable Foreign Borrower Documents, except as has been disclosed to the Administrative Agent.

(d) The execution, delivery and performance of the Applicable Foreign Borrower Documents executed by such Foreign Borrower are, under applicable foreign exchange control regulations of the jurisdiction in which such Foreign Borrower is organized and existing, not subject to any notification or authorization except (i) such as have been made or obtained or (ii) such as cannot be made or obtained until a later date (provided that any notification or authorization described in clause (ii) shall be made or obtained as soon as is reasonably practicable).

6.27 Use of Proceeds. The proceeds of the Loans shall be used solely for the purposes set forth in Section 7.11.

ARTICLE VII

AFFIRMATIVE COVENANTS

So long as any Obligations or the Commitments remain outstanding, each Loan Party agrees to:

7.01 Organizational Existence, Etc.

(a) Preserve and maintain its corporate or other organizational existence (except to the extent otherwise permitted under Section 8.03).

(b) Preserve and maintain, and cause each of its Subsidiaries to preserve and maintain, its material rights, franchises, and licenses, and its material patents and copyrights (for the scheduled duration thereof), trademarks, trade names, and service marks, and its qualification to do business as a foreign corporation or other organization in all jurisdictions where it conducts business or other activities making such qualification necessary, where the failure to be so qualified as a foreign corporation or other organization, or where the failure to preserve and maintain such intellectual property, would reasonably be expected to have a Materially Adverse Effect.

7.02 Compliance with Laws, Etc. Comply, and cause each of its Subsidiaries to comply with (a) the Patriot Act, OFAC rules and regulations and all Sanctions and laws related thereto, (b) all other Requirements of Law (including, without limitation, the Environmental Laws and Anti-Money Laundering Laws) applicable to or binding on any of them where the failure to comply with such Requirements of Law would reasonably be expected to have a Materially Adverse Effect and (c) all Material Contractual Obligations.

7.03 Payment of Taxes and Claims, Etc. Pay, deduct and remit, and cause each of its Subsidiaries to pay, deduct and remit, (a) all material taxes, assessments, deductions, remittances and governmental charges imposed upon it or upon its property, and (b) all material claims (including, without limitation, claims for labor, materials, supplies or services) which might, if unpaid, become a Lien upon its property, unless, in each case, the validity or amount thereof is being contested in good faith by appropriate proceedings and adequate reserves are maintained with respect thereto to the extent required under GAAP.

7.04 Keeping of Books. Keep, and cause each of its Subsidiaries to keep, proper books of record and account, containing complete and accurate entries of all their respective financial and business transactions which are required to be maintained in order to prepare the consolidated financial statements of the Company in conformity with GAAP.

7.05 Visitation, Inspection, Etc. Permit, and cause each of its Subsidiaries to permit (subject, in any event, to Section 11.07 hereof), any representative of the Administrative Agent or any Lender to visit and inspect any of its property, to examine its books and records and to make copies and take extracts therefrom, and to discuss its affairs, finances and accounts with its officers, all at such reasonable times and as often as the Administrative Agent or such Lender may reasonably request after reasonable prior notice (which shall not be less than 48 hours) to the Company; provided, however, that at any time following the occurrence and during the continuance of a Default or an Event of Default, no prior notice to the Company shall be required.

7.06 Insurance. Maintain or cause to be maintained with financially sound and reputable insurers, insurance with respect to its properties and business, and the properties and business of its Subsidiaries, against loss or damage of the kinds customarily insured against by reputable companies in the same or similar

businesses, such insurance to be of such types and in such amounts as is customary for such companies under similar circumstances.

7.07 Maintenance of Properties.

(a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted.

(b) Make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Materially Adverse Effect.

(c) Use the standard of care typical in the industry in the operation and maintenance of its facilities.

7.08 Payment of Obligations.

Pay and discharge, as the same shall become due and payable, all its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Loan Party or such Subsidiary; (b) all lawful claims which, if unpaid, would by law become a Lien upon its property; and (c) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

7.09 Reporting Covenants. The Company shall furnish to each Lender, except for the items set forth in Section 7.09(a), (b), (c) and (k), which shall be furnished to the Administrative Agent for distribution to the Lenders, the following.

(a) Annual Financial Statements. As soon as available and in any event within ninety (90) days after the end of each fiscal year of the Company, balance sheets of the Consolidated Companies as at the end of such year, presented on a consolidated basis, and the related statements of income, retained earnings and cash flows of the Consolidated Companies for such fiscal year, presented on a consolidated basis, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and accompanied by a report thereon of Ernst & Young or other independent public accountants of comparable recognized national standing, which such report shall be unqualified as to going concern and scope of audit and shall state that such financial statements present fairly in all material respects the financial condition as at the end of such fiscal year on a consolidated basis, and the results of operations and statements of cash flows of the Consolidated Companies for such fiscal year in accordance with GAAP and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards,

(b) Quarterly Financial Statements. As soon as available and in any event

within forty-five (45) days after the end of each fiscal quarter of the Company (other than the fourth fiscal quarter), balance sheets of the Consolidated Companies as at the end of such quarter presented on a consolidated basis and the related statements of income, retained earnings and cash flows of the Consolidated Companies for such fiscal quarter and for the portion of the Company's fiscal year ended at the end of such quarter, presented on a consolidated basis setting forth in each case in comparative form the figures for the

corresponding quarter and the corresponding portion of the Company's previous fiscal year, all in reasonable detail and certified by the chief financial officer or principal accounting officer of the Company that such financial statements fairly present in all material respects the financial condition of the Consolidated Companies as at the end of such fiscal quarter on a consolidated basis, and the results of operations and statements of cash flows of the Consolidated Companies for such fiscal quarter and such portion of the Company's fiscal year, in accordance with GAAP consistently applied (subject to normal year-end audit adjustments and the absence of certain footnotes);

(c) No Default/Compliance Certificate. Together with the financial

statements required pursuant to subsections (a) and (b) above, a certificate of the chief financial officer or treasurer of the Company in the form of Exhibit 7.09 (i) to the effect that, based upon a review of the activities of the Consolidated Companies and such financial statements during the period covered thereby, there exists no Event of Default and no Default under this Agreement, or if there exists an Event of Default or a Default hereunder, specifying the nature thereof and the proposed response thereto, and (ii) demonstrating in reasonable detail compliance as at the end of such fiscal year or such fiscal quarter with Section 8.09;

(d) Notice of Default under Credit Documents. Promptly after any Executive Officer of any Loan Party has notice or knowledge of the occurrence of an Event of Default or a Default, a certificate of the chief financial officer or principal accounting officer of the Company specifying the nature thereof and the proposed response thereto;

(e) Materially Adverse Effect. Promptly (and in any event within five (5) Business Days) after the occurrence of any matter that has resulted or could reasonably be expected to result in a Materially Adverse Effect, a certificate of the chief financial officer or principal accounting officer of the Company specifying the nature thereof and the proposed response thereto;

(f) Notice of Default under Other Indebtedness. Promptly after any Executive Officer of any Loan Party has notice or knowledge of delivery by any holder(s) of Indebtedness referred to in Section 8.01(a) or (d) (or from any trustee, agent, attorney, or other party acting on behalf of such holder(s)) in an amount which, in the aggregate, is at least the Dollar Equivalent of (i) prior to the Term Loan Funding Date, $50,000,000 and (ii) on and after the Term Loan Funding Date, $75,000,000, of any notice stating or claiming the existence or occurrence of any default or event of default with respect to such Indebtedness under the terms of any indenture, loan or credit agreement, debenture, note, or other document evidencing or governing such Indebtedness, furnish to the Administrative Agent a copy of such notice;

(g) Litigation. Promptly after (i) any Executive Officer of any Loan Party has knowledge or obtains notice of the occurrence thereof, notice of the institution of or any material adverse development in any material action, suit or proceeding or any governmental investigation or any arbitration, before any court or arbitrator or any governmental or administrative body, agency or official, against any Consolidated Company, or any material property of any thereof, or (ii) any Executive Officer of any Loan Party has actual knowledge or obtains notice thereof, notice of the threat of any such action, suit, proceeding, investigation or arbitration, if as a result of such institution or development, such action, suit or proceeding has or would reasonably be expected to have a Materially Adverse Effect;

(h) Environmental Notices. Promptly after any Executive Officer of any Loan Party has knowledge or notice of the receipt thereof, written notice of any actual or alleged violation, or written notice of any action, claim or request for information, either judicial or administrative, from any governmental

authority relating to any actual or alleged claim, notice of potential responsibility under or violation of any Environmental Law, or any actual or alleged spill, leak, disposal or other release of any waste, petroleum product, or hazardous waste or Hazardous Substance by any Consolidated Company which could result in penalties, fines, claims or other liabilities to any Consolidated Company that have or would reasonably be expected to have a Materially Adverse Effect;

(i) ERISA. (A)(i) Promptly after any Executive Officer of any Loan Party has knowledge or notice of the occurrence thereof with respect to any Plan of any Consolidated Company or any ERISA Affiliate thereof, or any trust established thereunder, notice of (A) a "reportable event" described in Section 4043 of ERISA and the regulations issued from time to time thereunder (other than a "reportable event" not subject to the provisions for 30-day notice to the PBGC under such regulations), or (B) any other event which could subject any Consolidated Company to any tax, penalty or liability under Title I or Title IV of ERISA or Chapter 43 of the Tax Code, or any tax or penalty resulting from a loss of deduction under Sections 162, 404 or 419 of the Tax Code, or any tax, penalty or liability under any Requirement of Law applicable to any Foreign Plan, where any such taxes, penalties or liabilities have or would reasonably be expected to have a Materially Adverse Effect;

(i) Promptly after any Executive Officer of any Loan Party has knowledge or notice that any notice must be provided to the PBGC, or to a Plan participant, beneficiary or alternative payee, any notice required under Section 101, 303, 4041(b)(1)(A) or 4041(c)(1)(A) of ERISA or under Section 412 of the Tax Code with respect to any Plan of any Consolidated Company or any ERISA Affiliate thereof;

(ii) Promptly after any Executive Officer of any Loan Party has knowledge or notice of receipt thereof, any notice received by any Consolidated Company or any ERISA Affiliate thereof concerning the intent of the PBGC or any other governmental authority to terminate a Plan of such Company or ERISA Affiliate thereof which is subject to Title IV of ERISA, to impose any liability on such Company or ERISA Affiliate under Title IV of ERISA or Chapter 43 of the Tax Code;

(j) Liens. Promptly upon any Executive Officer of any Loan Party has knowledge or notice thereof, notice of the filing of any federal statutory Lien, tax or other state, provincial or local government Lien or any other Lien affecting their respective properties, other than Permitted Liens;

(k) Public Filings, Etc. Promptly upon the filing thereof or otherwise becoming available, copies of all financial statements, annual, quarterly and special reports, proxy statements and notices sent or made available generally by the Company to its public security holders, of all regular and periodic reports and all registration statements and prospectuses, if any, filed by any of them with any securities exchange, and of all press releases and other statements made available generally to the public containing material developments in the business or financial condition of the Loan Parties and the other Consolidated Companies;

(l) Accounting Policies or Reporting Practices. Promptly (and in any event, within five (5) Business Days) notify the Administrative Agent and each Lender of any material change in accounting policies or financial reporting practices by the Company or any Subsidiary, including any determination by the Company referred to in Section 2.10(b).

(m) Canadian Plans. UAP will (i) within three (3) days of receipt of a written request by the Administrative Agent, furnish to the Administrative Agent a copy of the most recent actuarial valuation

submitted to the relevant authorities in respect of each funded Canadian Plan and (ii) promptly after receipt or dispatch, furnish to the Administrative Agent any material correspondence from or to the relevant authorities or any other Person in respect of any Canadian Plan.

(n) Other Information. With reasonable promptness, such other information about the Consolidated Companies as the Administrative Agent or any Lender may reasonably request from time to time.

Documents required to be delivered pursuant to Section 7.09(a), (b) or (c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Company's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided, that: (i) the Company shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Company to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Company shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request for delivery by a Lender, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each Loan Party hereby acknowledges that (a) the Administrative Agent and/or the Joint Lead Arrangers may, but shall not be obligated to, make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of such Loan Party hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to any of the Borrowers or their respective Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Person's securities. Each Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrowers shall be deemed to have authorized the Administrative Agent, each of the Joint Lead Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrowers or their respective securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information;" and (z) the Administrative Agent and each of the Joint Lead Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated as "Public Side Information."

7.10 Anti-Corruption Laws. Conduct its business in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

7.11 Use of Proceeds.

(a) Use the proceeds of the Term Loan for Certain Funds Purposes.

(b) Use the proceeds of Revolving Loans to finance working capital, capital expenditures and acquisitions and for other general corporate purposes.

(c) Use all Letters of Credit for general corporate purposes.

Notwithstanding the foregoing, in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Credit Document.

7.12 Maintenance of Governmental Approvals and Authorizations. Obtain and maintain, and cause all Subsidiaries to obtain and maintain, in full force and effect all licenses, consents, authorizations and approvals of, and make all filings and registrations with, any Governmental Authority necessary under the laws of the applicable entity's country for the making and performance by it of this Agreement and the other Credit Documents.

7.13 Covenant to Guarantee Obligations.

(a) Provide the Administrative Agent (who shall promptly notify the Lenders) at least fifteen (15) Business Days' notice before delivery of the documents required under Section 7.13(b);

(b) Within forty-five (45) days (or such longer period as the Administrative Agent may agree in its sole discretion) after the acquisition or formation of any wholly-owned Domestic Subsidiary (other than an Excluded Domestic Subsidiary) that is a Material Company or any wholly-owned Domestic Subsidiary (other than an Excluded Domestic Subsidiary) becomes a Material Company and concurrent with (or on such later date as the Administrative Agent may agree in its sole discretion) any Subsidiary providing a Guarantee of any Senior Notes or any Permitted Refinancing thereof or any other Indebtedness with an aggregate outstanding or committed principal amount of the Dollar Equivalent of $150,000,000 or more, cause such Person to (i) become a Guarantor by executing and delivering to the Administrative Agent a Guarantor Joinder Agreement or such other documents as the Administrative Agent shall deem appropriate for such purpose, and (ii) deliver to the Administrative Agent (which shall promptly distribute copies to the Lenders) documents of the types referred to in Sections 5.01(c) and (f) and favorable opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in clause (i)), all in form, content and scope reasonably satisfactory to the Administrative Agent.

7.14 Further Assurances. At the expense of the applicable Loan Party, (a) promptly execute and deliver, or cause to be promptly executed and delivered, all further instruments and documents, and take and cause to be taken all further actions, that may be necessary or that the Required Lenders through the Administrative Agent may reasonably request to enable the Lenders and the Administrative Agent to carry out to their reasonable satisfaction the transactions contemplated by this Agreement and enforce the terms and provisions of this Agreement and to exercise their rights and remedies hereunder or under the Notes, and (b) use all reasonable efforts to duly obtain governmental approvals required in connection with this Agreement from time to time on or prior to such date as the same may become legally required, and thereafter to maintain all such governmental approvals in full force and effect.

7.15 PPSA Covenant.

(a) PPSA Further Assurances. If the Administrative Agent determines that a document (or a transaction in connection with it) is or contains a security interest for the purposes of the PPS Law, each Borrower agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Administrative Agent asks and considers necessary for the purposes of (i) ensuring that the security interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; (ii) enabling the Administrative Agent to apply for any registration, or give any notification, in connection with the security interest so that the security interest has the priority required by the Administrative Agent; or (iii) enabling the Administrative Agent to exercise rights in connection with the security interest.

(b) PPSA Undertakings. If any Borrower holds any security interests for the purposes of the PPS Law and if failure by such Borrower to perfect such security interests would materially adversely affect its business, such Borrower agrees to implement, maintain and comply in all material respects with, procedures for the perfection of those security interests. These procedures must include procedures designed to ensure that the Borrowers take all reasonable steps under the PPS Law to continuously perfect any such security interest including all steps reasonably necessary (i) for the applicable Borrower to obtain, the highest ranking priority possible in respect of the security interest (such as perfecting a purchase money security interest or perfecting a security interest by control); and (ii) to reduce as far as possible the risk of a third party acquiring an interest free of the security interest (such as including the serial number in a financing statement for personal property that may or must be described by a serial number). If the Administrative Agent asks, each Borrower agrees to arrange at its expense an audit of the PPS Law procedures. The Administrative Agent may ask the applicable Borrower to do this if it reasonably suspects that such Borrower is not complying with this clause.

(c) Costs of Further Assurance and Undertaking. Everything a Borrower is required to do under this clause is at the Borrower's expense. Each Borrower agrees to pay or reimburse the costs of the Administrative Agent in connection with anything a Borrower is required to do under this Section.

(d) Exclusion of PPSA Provisions. If a document (or a transaction in connection with it) is or contains a security interest for the purposes of the PPSA, each party agrees that to the extent the law permits them to be excluded (i) sections 142 and 143 of the PPSA are excluded and the relevant secured party need not comply with the following provisions of the PPSA: sections 95, 118, 121(4), 125, 130, 132(3)(d), 132(4) and any other provision of the PPSA notified to the grantor by the relevant secured party after the date of this agreement; and (ii) the Administrative Agent need not give any notice required under any provision of the PPSA (except section 135).

## ARTICLE VIII

## NEGATIVE COVENANTS

So long as any Obligations or the Commitments remain outstanding, each Loan Party will not:

8.01 Indebtedness of Subsidiaries. Permit any Consolidated Company other than the Company to create, incur, assume or suffer to exist any Indebtedness, other than:

(a) any Indebtedness outstanding on the Closing Date and described in the most recent filings by the Company with the Securities and Exchange Commission and in the most recent financial statements filed by UAP with the appropriate Canadian securities authority, if any, and Permitted Refinancings thereof;

(b) purchase money Indebtedness to the extent secured by a Lien permitted by Section 8.02(b) or Capital Lease Obligations and Permitted Refinancings in respect thereof, provided that the aggregate principal amount of such Indebtedness and Capital Lease Obligations does not exceed (i) prior to the Term Loan Funding Date, $75,000,000 in the aggregate and (ii) on and after the Term Loan Funding Date, $100,000,000 in the aggregate;

(c) an unsecured working capital facility for GPC Asia Pacific Group Pty Ltd and/or any of its wholly-owned Subsidiaries;

(d) unsecured Indebtedness of UAP owing to any Person;

(e) Indebtedness owed to any other Consolidated Company;

(f) Indebtedness of any Person that becomes a Subsidiary after the Closing Date; provided that such Indebtedness exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary, and Permitted Refinancings thereof;

(g) other Indebtedness not described in the foregoing clauses (a) through (f) in an aggregate outstanding principal amount not to exceed (i) prior to the Term Loan Funding Date, $300,000,000 at any time and (ii) on and after the Term Loan Funding Date, $450,000,000 at any time;

(h) obligations (contingent or otherwise) of any Loan Party (other than the Company) or any Subsidiary existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(i) Indebtedness of the Loan Parties under the New Senior Notes and Permitted Refinancings thereof, in each case used for Certain Funds Purposes;

(j) Indebtedness of the Loan Parties under the Existing Senior Notes and Permitted Refinancings thereof;

(k) (i) guaranties by any Consolidated Company of any Indebtedness otherwise permitted under this Section 8.01 and (ii) guaranties by any Loan Party that is a Guarantor of any Indebtedness of the Company; and

(l) the Obligations.

8.02 Liens. Create, incur, assume or suffer to exist, or permit any of their respective Subsidiaries to create, incur, assume or suffer to exist, any Lien on any of its property now owned or hereafter acquired to secure any Indebtedness other than:

(a) Liens existing on the date hereof securing Indebtedness of Consolidated Companies with respect to industrial development revenue bonds permitted under Section 8.01(a);

(b) any Lien on any property securing Indebtedness incurred or assumed for the purpose of financing all or any part of the acquisition cost of such property, *provided that* such Lien does not extend to any other property;

(c) any interest or title of a lessor under any Capital Lease Obligation; provided that such Liens extend only to property or assets subject to such Capital Lease Obligations,

(d) Liens for taxes, assessments or governmental charges not yet due, and Liens for taxes or Liens imposed by ERISA, assessments or governmental charges which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained to the extent required by GAAP;

(e) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, suppliers, materialmen, repairmen and other Liens imposed by law created in the ordinary course of business for amounts not yet due or being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained to the extent required by GAAP,

(f) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security;

(g) Liens securing letters of credit issued in the ordinary course of business consistent with past practice in connection with the items referred to in clause (f) or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money),

(h) Liens securing judgments that do not give rise to an Event of Default under Section 9.09, so long as such Lien is adequately bonded and either (i) the period in which any appropriate legal proceedings may be brought for the review of such judgment has not expired or (ii) any such legal proceedings are pending and have not been finally terminated;

(i) easements, rights-of-way, zoning restrictions and other similar charges or encumbrances in respective real property not interfering in any material respect with the ordinary conduct of the business of the Consolidated Companies;

(j) Liens existing on any property or assets of any Person that becomes a Subsidiary after the Closing Date; provided that (i) such Lien exists the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary, (ii) such Lien does not extend to or cover any other property or assets of any other Consolidated Company and (iii) such Lien secures only those obligations secured on the date such Person becomes a Subsidiary;

(k) Liens securing any Indebtedness owed to any other Consolidated Company,

(l) Liens securing other Indebtedness in the aggregate principal amount of not more than the Dollar Equivalent of five percent (5%) of the total assets of the Company and its Subsidiaries at any time; and

(m) Liens securing any Indebtedness to the extent that the Obligations are secured on a pari passu basis with such Indebtedness in a manner reasonably satisfactory to the Required Lenders.

8.03 Mergers, Sale of Assets.

(a) Merge or consolidate, except as follows:

(i) the Company may merge with any other Person if the Company is the surviving corporation in such merger or consolidation and no Default or Event of Default would result therefrom,

(ii) any Borrower other than the Company may merge with any of its Subsidiaries if such Borrower is the surviving corporation in such merger or consolidation and no Default or Event of Default would result therefrom,

(iii) any Domestic Loan Party other than any Borrower may be merged or consolidated with or into any other Domestic Loan Party other than any Borrower; and

(iv) any Foreign Subsidiary other than any Borrower may be merged or consolidated with or into any other Foreign Subsidiary other than any Borrower; or

(b) sell, lease or otherwise dispose of, or permit any of their respective Subsidiaries to sell, lease or otherwise dispose of, its accounts, property or other assets (including capital stock or the equivalent thereof of Subsidiaries), but excluding any transfers of cash by way of investments, dividends or payment of obligations or reimbursements, provided, however, that the foregoing restrictions on asset sales shall not be applicable to (i) sales of equipment or other personal property being replaced by other equipment or other personal property purchased as a capital expenditure item or that have become obsolete, (ii) sales of inventory in the ordinary course of business, (iii) sales of receivables or other assets in any securitization program and sales of any assets that are immediately thereafter leased back to any Consolidated Company, (iv) sales, leases or other dispositions of assets to the Consolidated Companies, provided that if the transferor is the Company or a Domestic Subsidiary (other than an Excluded Domestic Subsidiary) then the transferee shall be the Company or a Domestic Subsidiary (other than an Excluded Domestic Subsidiary), (v) sales or dispositions of Equity Interests or other investments in a Foreign Subsidiary or Excluded Domestic Subsidiary by the Company or any Domestic Subsidiary to a Foreign Subsidiary or Excluded Domestic Subsidiary, (vi) sales or other dispositions (or a series of related sales or other dispositions) of property or assets of with an Asset Value of $7,500,000 or less and (vii) sales or other dispositions of assets in any fiscal year of the Company having an aggregate Asset Value of no more than twenty percent (20%) of the aggregate Asset Value of the Consolidated Companies (including UAP and its Subsidiaries) as of the date of the most recent annual financial statements delivered pursuant to Section 7.09(a) (but until the first such financial statements are delivered, as of December 31, 2016); provided that, with respect to sales or other dispositions of assets pursuant to this clause (vii), (A) before and immediately after giving effect to such sale or other disposition, there exists no Default or Event of Default and (B) such assets are sold for fair market value (as determined by the Company in good faith).

8.04 Lease Obligations. Prior to the Term Loan Funding Date, create or suffer to exist, or permit any of their respective Subsidiaries to create or suffer to exist, any obligations for the payment of rent for any property under operating leases or agreements to lease (including all Synthetic Lease Obligations but excluding any obligations under capital leases) having a term of one year or more of the Consolidated Companies, on a consolidated basis, to exceed $400,000,000 payable in any period of twelve consecutive calendar months. For the avoidance of doubt, compliance with this covenant shall not be required on and after the Term Loan Funding Date.

8.05 Limitation on Payment Restrictions Affecting Consolidated Companies. Create or otherwise cause or suffer to exist or become effective, or permit any of their respective Subsidiaries to create or otherwise cause or suffer to exist or become effective, any consensual encumbrance or restriction on the ability of any Consolidated Company other than the Company to (i) pay dividends or make any other distributions on such Consolidated Company's stock, or (ii) pay any Indebtedness owed to the Company or any other Consolidated Company, other than restrictions existing under any agreements to which any Person that becomes a Subsidiary after the Closing Date is a party, provided that such restriction exist at the time such Person becomes a Subsidiary and has not been created in contemplation of or in connection with such Person becoming a Subsidiary.

8.06 Change in Nature of Business. Engage, or permit any of their respective Subsidiaries to engage, in any material line of business substantially different from those lines of business conducted by the Company and its Subsidiaries on the Closing Date or any business substantially related or incidental thereto.

8.07 Transactions with Affiliates and Insiders. Enter into or permit to exist, or permit any of their respective Subsidiaries to enter into or permit, any transaction or series of transactions with any officer, director or Affiliate of such Person other than (a) advances of working capital to any Loan Party or Subsidiary, (b) transfers of cash and assets to any Loan Party or any Subsidiary (subject to Section 8.03(b)(iv) and (v)), (c) intercompany transactions expressly permitted by Section 8.01, Section 8.03 or Section 8.05, (d) normal and reasonable compensation and reimbursement of expenses of officers and directors in the ordinary course of business and (e) except as otherwise specifically limited in this Agreement, other transactions which are entered into in the ordinary course of such Person's business on terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms-length transaction with a Person other than an officer, director or Affiliate.

8.08 Organization Documents; Fiscal Year; Legal Name, State of Formation and Form of Entity.

(a) Amend, modify or change, or permit any of their respective Subsidiaries to amend, modify or change, its Organization Documents in a manner adverse to the Lenders.

(b) Without providing ten (10) days prior written notice to the Administrative Agent, change its name, state of formation or form of organization.

8.09 Financial Covenants.

(a) Prior to the Term Loan Funding Date, permit as of the last day of each fiscal quarter of the Company, commencing with the fiscal quarter ending September 30, 2017, the Leverage Ratio to be greater than 0.50 to 1.0.

(b) On and after the Term Loan Funding Date, permit as of the last day of each fiscal quarter of the Company, commencing with the first fiscal quarter ending after the Term Loan Funding Date, the Leverage Ratio to be greater than 3.50 to 1.0.

(c) If on the date 90 days after the Term Loan Funding Date (the "Incorporation Date") any Existing Senior Notes are subject to the financial maintenance covenant set forth in Section 10.2 of the Note Purchase Agreement for such Existing Senior Notes or any other fixed charge coverage ratio financial maintenance covenant (the "NPA Financial Covenant"), then (i) on such date the NPA Financial Covenant and, solely for purposes of determining compliance with the NPA Financial Covenant as incorporated herein, the definitions set forth in such Note Purchase Agreement (the "NPA Definitions"), are incorporated herein

by reference with the same effect as if stated at length herein, (ii) the NPA Definitions, and not the definitions stated in this Agreement, shall be applicable for purposes of determining compliance with the NPA Financial Covenant, (iii) except as provided in the immediately succeeding clause (iv), any amendment or other modification to, or waiver of, the Existing Senior Notes or the Note Purchase Agreements for the Existing Senior Notes shall not be effective to amend, modify or waive the NPA Financial Covenants and NPA Definitions as incorporated herein except to the extent such amendment, modification or waiver has been approved by the Required Lenders and (iv) if at any time after the Incorporation Date all of the Existing Senior Notes cease to be subject to the NPA Financial Covenant, then at such time this Agreement shall be deemed amended to terminate the incorporation of the NPA Financial Covenant and this clause (c) shall be deemed amended to read "[Reserved]" in each case without the consent of or any action by the Administrative Agent or any Lender.

8.10 No Hostile Acquisitions. Acquire the Equity Interests of another Person without the board of directors (or other comparable governing body) of such other Person having duly approved such acquisition.

8.11 Sanctions. Directly or indirectly, use the proceeds of any Credit Extension, or lend, contribute or such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual, or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity participating in the transaction, whether as Lender, Arranger, Administrative Agent, L/C Issuer, Swing Line Lender or otherwise) of Sanctions.

8.12 Anti-Corruption Laws; Anti-Money Laundering Laws; Sanctions. Directly or indirectly, use any Credit Extension or the proceeds of any Credit Extension for any purpose which would breach or violate (a) the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, (b) Anti-Money Laundering Laws or (c) Sanctions.

8.13 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

8.14 Target Acquisition Documents. After the Term Loan Funding Date amend, modify or waive any provision of any Target Acquisition Document in any manner that is materially adverse to the interests of the Lenders without the consent of the Administrative Agent.

## ARTICLE IX

## EVENTS OF DEFAULT AND REMEDIES

Upon the occurrence and during the continuance of any of the following specified events (each an "Event of Default"):

9.01 Payments. (a) Any Loan Party shall fail to make promptly when due, and in the currency required hereunder (including, without limitation, by mandatory prepayment) any principal payment with respect to the Loans or of any reimbursement obligations with respect to any Letter of Credit, or (b) any Loan Party shall fail to make within five (5) days after the due date thereof any payment of interest, fee or other amount payable in respect of any Obligation;

9.02 Covenants Without Notice. Any Loan Party shall fail to observe or perform any covenant or agreement contained in (a) Article VIII, (b) Section 7.01(a), (c) Section 7.09(d) or (d) clauses (a) through (c) and clauses (e) through (n) of Section 7.09 and such failure to comply with clauses (a) through (c) and clauses (e) through (n) of Section 7.09 remains unremedied for five (5) Business Days after the earlier of (A) such Loan Party's obtaining knowledge thereof or (B) written notice thereof shall have been given to the Company by the Administrative Agent or any Lender;

9.03 Other Covenants. Any Loan Party shall fail to observe or perform any covenant or agreement contained in this Agreement or in the other Credit Documents, other than those referred to in Sections 9.01 and 9.02, and, if capable of being remedied, such failure shall remain unremedied for thirty (30) days after the earlier of (i) any Loan Party's obtaining knowledge thereof, or (ii) written notice thereof shall have been given to the Company by the Administrative Agent or any Lender;

9.04 Representations. Any representation or warranty made or deemed to be made by any Loan Party or by any of its officers under this Agreement or any other Credit Document, or any certificate or other document submitted to the Administrative Agent or the Lenders by any such Person pursuant to the terms of this Agreement or any other Credit Document, shall be incorrect in any material respect when made or deemed to be made or submitted;

9.05 Non-Payments of Other Indebtedness. Any Consolidated Company shall fail to make when due (whether at stated maturity, by acceleration, on demand or otherwise, and after giving effect to any applicable grace period) any payment of principal of or interest on any Indebtedness (other than the Obligations) with an aggregate outstanding or committed principal amount of the Dollar Equivalent of (a) prior to the Term Loan Funding Date, $50,000,000 or more and (b) on and after the Term Loan Funding Date, $75,000,000 or more.

9.06 Defaults Under Other Agreements. Any Consolidated Company shall fail to observe or perform within any applicable grace period any covenants or agreements contained in any agreements or instruments relating to any Indebtedness with an aggregate outstanding or committed principal amount of the Dollar Equivalent of (a) prior to the Term Loan Funding Date, $50,000,000 or more and (b) on and after the Term Loan Funding Date, $150,000,000 or more, or any other event shall occur if the effect of such failure or other event is to accelerate, or to permit the holder of such Indebtedness or any other Person to accelerate, the maturity of such Indebtedness, unless such failure or other event is cured or waived in accordance with the terms of such agreements or instruments; or any such Indebtedness shall be required to be prepaid (other than by a regularly scheduled required prepayment) in whole or in part prior to its stated maturity;

9.07 Bankruptcy. Any Loan Party or any other Material Company shall commence a voluntary case concerning itself under the Bankruptcy Code or applicable foreign bankruptcy laws; or an involuntary case for bankruptcy (or a petition for a receiving order) is commenced against any Loan Party or any Material Company and the petition is not controverted within ten (10) days, or is not dismissed within sixty (60) days, after commencement of the case; or if a custodian, trustee, interim receiver or coordinator (as defined in the Bankruptcy Code) or a sequestrator, administrator or similar official under applicable foreign bankruptcy laws is appointed for, or takes charge of, all or any substantial part of the property of any Loan Party or any Material Company; or any Loan Party or any Material Company commences proceedings of its own bankruptcy, files an assignment under the Bankruptcy and Insolvency Act (Canada) or commences proceedings to be granted a suspension of payments or any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction, whether now or hereafter in effect, relating to any Loan Party or any Material Company or

there is commenced against any Loan Party or any Material Company any such proceeding which remains undismissed for a period of sixty (60) days; or any Loan Party or any Material Company is adjudicated insolvent or bankrupt, or any order of relief or other order approving any such case or proceeding is entered, or any Loan Party or any Material Company suffers any appointment of any custodian or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of sixty (60) days; or any Loan Party or any Material Company makes a general assignment for the benefit of creditors; or any Loan Party or any Material Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or any Loan Party or any Material Company shall call a meeting of its creditors with a view to arranging a composition or adjustment of its debts; or any Loan Party or any Material Company shall by any act or failure to act indicate its consent to, approval of or acquiescence in any of the foregoing, or any corporate action is taken by any Loan Party or any Material Company for the purpose of effecting any of the foregoing;

9.08 ERISA. A Plan or Foreign Plan of a Consolidated Company or a Plan subject to Title IV of ERISA of any of its ERISA Affiliates has a "reportable event" described in Section 4043 of ERISA and the regulations issued from time to time thereunder; or

(i) shall fail to be funded in accordance with the minimum funding standard required by applicable law, the terms of such Plan or Foreign Plan, Section 412 of the Tax Code or Section 302 of ERISA for any plan year or a waiver of such standard is sought or granted with respect to such Plan or Foreign Plan under applicable law, the terms of such Plan or Foreign Plan or Section 412 of the Tax Code or Section 303 of ERISA; or

(ii) is being, or has been, terminated or the subject of termination proceedings under applicable law or the terms of such Plan or Foreign Plan; or

(iii) shall require a Consolidated Company to provide security under applicable law, the terms of such Plan or Foreign Plan, Section 412 of the Tax Code or Section 302 of ERISA; or

(iv) results in a liability to a Consolidated Company under applicable law, the terms of such Plan or Foreign Plan, or Title IV of ERISA;

and there shall result from any such failure, waiver, termination or other event a liability to the PBGC (or any similar Person with respect to any Foreign Plan) or a Plan that, in each case, would have a Materially Adverse Effect.

9.09 Judgment. A final judgment or order for the payment of damages having a Materially Adverse Effect shall be rendered against any Loan Party or any other Material Company and such judgment or order shall continue unsatisfied (in the case of a money judgment) and in effect for a period of thirty (30) days during which execution shall not be effectively stayed or deferred (whether by action of a court, by agreement or otherwise);

9.10 Change in Control. A Change in Control shall occur or exist;

9.11 Attachments. An attachment or similar action shall be made on or taken against any of the assets of any Consolidated Company with an aggregate Asset Value exceeding the Dollar Equivalent of (a) prior to the Term Loan Funding Date, $50,000,000 and (b) on and after the Term Loan Funding Date,

$150,000,000, in each case in the aggregate and is not removed within sixty (60) days of the same being made;

9.12 Canadian Plans. UAP shall (a) fail to contribute to any Canadian Plan any amount required to be contributed thereto in accordance with applicable laws or regulations or the terms of such Canadian Plan or (b) permit or take any action which would result in a going concern unfunded liability or a solvency deficiency in respect of all of the Canadian Plans which are funded plans, determined pursuant to the actuarial assumptions and methodology utilized in the most recent actuarial valuations therefor, and there shall result from any such failure, action or other event a liability to the relevant authorities or a Canadian Plan that would have a Materially Adverse Effect;

9.13 Invalidity of Credit Documents. Any Credit Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any Credit Document; or any Loan Party denies that it has any or further liability or obligation under any Credit Document, or purports to revoke, terminate or rescind any Credit Document; or

9.14 Inability to Pay Debts; Attachment. (i) Any Loan Party or any Material Company becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

9.15 Remedies Upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) 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 Credit 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;

(c) require that the Company Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Credit Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code of the United States, subject to Section 5.04, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions 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, and the obligation of the Company to

Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

9.16 Application of Funds.

After the exercise of remedies provided for in Section 9.15 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 9.15), any amounts received on account of the Obligations shall, subject to Section 2.17(d), be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest, Letter of Credit Fees and Commitment Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer) arising under the Credit Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees, Commitment Fees and interest on the Loans and L/C Borrowings and fees, premiums and scheduled periodic payments, and any interest accrued thereon, due under any Swap Contract between any Loan Party and any Swap Bank, ratably among the Lenders (and, in the case of such Swap Contracts, Swap Banks) and the L/C Issuer in proportion to the respective amounts described in this clause Third held by them;

Fourth, to (a) payment of that portion of the Obligations constituting accrued and unpaid principal of the Loans and L/C Borrowings, (b) payment of breakage, termination or other payments, and any interest accrued thereon, due under any Swap Contract between any Loan Party or any Subsidiary and any Swap Bank, (c) payments of amounts due under any Treasury Management Agreement between any Loan Party or any Subsidiary and any Treasury Management Bank and (d) Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit, ratably among the Lenders (and, in the case of such Swap Contracts and Treasury Management Agreements, Swap Banks or Treasury Management Banks, as applicable) and the L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Company or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above. Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section.

Notwithstanding the foregoing, Obligations arising under Treasury Management Agreements and Swap Contracts shall be excluded from the application described above if the Administrative Agent has not received a Guaranteed Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Treasury Management Bank or Swap Bank, as the case may be. Each Treasury Management Bank or Swap Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article X for itself and its Affiliates as if a "Lender" party hereto.

9.17 Clean-Up Period. Notwithstanding anything in this Agreement to the contrary, for a period commencing on the Term Loan Funding Date and ending on the date 120 days after the Term Loan Funding Date (the "Clean-up Date"), notwithstanding any other provision of any Credit Document, any Default which arises solely with respect to the Target and its Subsidiaries will be deemed not to be a Default if:

(a) such Default is capable of remedy and reasonable steps are being taken to remedy it;

(b) the circumstances giving rise to it have not knowingly been procured by or approved by the Company; and

(c) it is not reasonably likely to have a Material Adverse Effect.

If the relevant circumstances are continuing on or after the Clean-up Date, there shall be a breach of representation or warranty, breach of covenant, Default or Event of Default, as the case may be, notwithstanding the above.

## ARTICLE X

## ADMINISTRATIVE AGENT

10.01 Appointment and Authority.

Each of the Lenders and the L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Credit Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and no Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Credit Documents (or any other similar term) 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 as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

10.02 Rights as a Lender.

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as

the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

10.03 Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may affect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 9.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Company, a Lender or the L/C Issuer.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Credit Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Credit Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(c) Neither the Administrative Agent nor any of its Related Parties shall be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (i) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (ii) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

10.04 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

10.05 Delegation of Duties.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Credit Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

10.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Company, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been

appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law by notice in writing to the Company and such Person remove such Person as the Administrative Agent and, in consultation with the Company, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Company to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by or removal of Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation or removal as L/C Issuer and Swing Line Lender. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). If Bank of America resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Revolving Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(f). Upon the appointment by the Company of a successor L/C Issuer or Swing Line Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as applicable (b) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory

to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

10.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Credit Document or any related agreement or any document furnished hereunder or thereunder.

10.08 No Other Duties; Etc.

Anything herein to the contrary notwithstanding, none of the joint bookrunners, joint lead arrangers, syndication agents, documentation agents or co-agents shall have any powers, duties or responsibilities under this Agreement or any of the other Credit Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder.

10.09 Administrative Agent May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation 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 any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations (other than obligations under Swap Contracts or Treasury Management Agreements to which the Administrative Agent is not a party) 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, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, 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 Sections 2.09 and 11.04.

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 or the L/C Issuer 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.

10.10 Guaranty Matters.

The Lenders and the L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion, to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Credit Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Guarantor from its obligations under the Guaranty, pursuant to this Section 10.10.

10.11 Treasury Management Banks and Swap Banks.

No Treasury Management Bank or Swap Bank that obtains the benefits of Section 9.15, or the Guaranty by virtue of the provisions hereof shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Article X to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts unless the Administrative Agent has received a Guaranteed Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Treasury Management Bank or Swap Bank, as the case may be.

10.12 Lender ERISA Representations.

(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, the Joint Lead Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, 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 Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not 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, the Joint Lead Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that:

(i) none of the Administrative Agent, any Joint Lead Arranger 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 Credit Document or any documents related to hereto or thereto);

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50,000,000, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E);

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations);

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Internal Revenue Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder; and

(v) no fee or other compensation is being paid directly to the Administrative Agent, any Joint Lead Arranger or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.

(c) The Administrative Agent and each Joint Lead Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial 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 Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Credit Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral 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.

## ARTICLE XI

## MISCELLANEOUS

11.01 Amendments, Etc.

Subject to Section 3.03, no amendment or waiver of any provision of this Agreement or any other Credit Document, and no consent to any departure by the Company or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Company or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that

(a) no such amendment, waiver or consent shall:

(i) other than increases in Revolving Commitments pursuant to Section 2.06(a), extend or increase the Commitment of a Lender (or reinstate any Commitment terminated pursuant to Section 9.15) without the written consent of such Lender whose Commitment is being extended or increased (it being understood and agreed that a waiver of any condition precedent set forth in Section 5.03 or of any Default or a mandatory reduction in Revolving Commitments is not considered an extension or increase in Revolving Commitments of any Lender);

(ii) postpone any date fixed by this Agreement or any other Credit Document for any payment of principal (excluding mandatory prepayments), interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Revolving Commitments hereunder or under any other Credit Document without the written consent of each Lender entitled to receive such payment or whose Revolving Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (i) of the final proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Credit Document without the written consent of each Lender entitled to receive such payment of principal, interest, fees or other amounts; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of any Borrower to pay interest or Letter of Credit Fees at the Default Rate;

(iv) change any provision of Section 2.13, clause (4) in the second sentence of Section 2.16(b), Section 9.16, this Section 11.01(a) or the definition of "Required Lenders" without the written consent of each Lender directly affected thereby;

(v) amend Section 1.06 or the definition of "Alternative Currency" without the written consent of each Revolving Lender;

(vi) release the Company as a Borrower or a Guarantor or, except in connection with a merger or consolidation permitted under Section 8.03 or any sale, lease or other disposition permitted under Section 8.03, all or substantially all of the Guarantors without the written consent of each Lender directly affected thereby, except to the extent the release of any Guarantor is permitted pursuant to Section 10.10 (in which case such release may be made by the Administrative Agent acting alone); or

(b) unless also signed by the L/C Issuer, no amendment, waiver or consent shall affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it;

(c) unless also signed by each effected Swing Line Lender, no amendment, waiver or consent shall affect the rights or duties of such Swing Line Lender under this Agreement; and

(d) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Credit Document;

provided, however, that notwithstanding anything to the contrary herein, (i) the Agency Fee Letter and the Joint Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto, (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender, (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender and (z) the principal amount of the Loans owing to any Defaulting Lender may not be reduced without the consent of such Defaulting Lender, (iii) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein, (iv) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders, (v) this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, the Borrowers, the other Loan Parties and the relevant

Lenders providing such additional credit facilities (x) to add one or more additional credit facilities to this Agreement, to permit the extensions of credit from time to time outstanding hereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Credit Documents and the Loans and the accrued interest and fees in respect thereof and to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and (y) to change, modify or alter Section 2.13 or Section 9.16 or any other provision hereof relating to the pro rata sharing of payments among the Lenders to the extent necessary to effectuate any of the amendments (or amendments and restatements) enumerated in this clause (v), (vi) if following the Closing Date, the Administrative Agent and the Company shall have jointly identified an inconsistency, obvious error or omission of a technical or immaterial nature, in each case, in any provision of the Credit Documents, then the Administrative Agent and the Loan Parties shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Credit Documents if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof and (vii) this Agreement may be amended to provide for Incremental Facilities and Permitted Amendments as provided in Sections 2.19 and 2.20, in each case without any additional consents.

11.02 Notices and Other Communications; Facsimile Copies.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to a Borrower or any other Loan Party, the Administrative Agent, the L/C Issuer or a Swing Line Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to a Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail, FPML messaging 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 or the L/C Issuer pursuant to Article II if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, each Swing

Line Lender, the L/C Issuer or any Loan Party may each, 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), 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 therefore; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. 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 ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service or through the Internet.

(d) Change of Address, Etc. Each of the Borrowers, the Administrative Agent, the L/C Issuer and each of the Swing Line Lenders may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Company, the Administrative Agent, the L/C Issuer and the Swing Line Lenders. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Company or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices, Notices of Loan Prepayment, Letter of Credit Applications and Swing Line Loan Notices)

purportedly given by or on behalf of any Loan Party 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 Loan Parties shall indemnify the Administrative Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender, the L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Credit Document 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 provided, and provided under each other Credit Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Credit Document, the authority to enforce rights and remedies hereunder and under the other Credit Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.01 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Credit Documents, (b) the L/C Issuer or any Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Credit Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Credit Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.01 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; and Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or the L/C Issuer (including the fees, charges and disbursements of

any counsel for the Administrative Agent, any Lender or the L/C Issuer), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or the L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Credit Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Company or any other Loan Party) other than the Indemnitee and its Related Parties arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Credit Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Substances on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Company or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, if the Company or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by them to the Administrative Agent (or any sub-agent thereof), the L/C Issuer, any Swing Line Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer, any Swing Line Lender or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lenders' Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided, further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), the L/C Issuer or any Swing Line

Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the L/C Issuer or any Swing Line Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, 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 Credit Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the L/C Issuer and any Swing Line Lender, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside. To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff 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, the L/C Issuer 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 setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) 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 applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Credit Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other

attempted assignment or transfer by any party hereto 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, Participants to the extent provided in subsection (e) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Credit Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in subsection (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 in the case of an assignment in respect of Revolving Commitments (and the related Revolving Loans thereunder) and $1,000,000 in the case of an assignment in respect of the Term Loam 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 or delayed);

(ii) Proportionate Amounts. 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, except that this clause (ii) shall not (A) apply to any Swing Line Lender's rights and obligations in respect of Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations among its Revolving Commitment (and the related Revolving Loans thereunder) and its outstanding Term Loan on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Company (such consent not to be unreasonably withheld or delayed shall be required for assignments in respect of any Revolving Commitment unless (1) an Event of Default has occurred and is continuing at the

time of such assignment or (2) such assignment is to a Revolving Lender, an Affiliate of a Revolving Lender or an Approved Fund in respect of a Revolving Lender; provided, that, the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof;

(B) the consent of the Company (such consent not to be unreasonably withheld or delayed (it being agreed that, notwithstanding anything herein, during the Certain Funds Period the Company may withhold such consent in its sole discretion unless a Certain Funds Default is continuing)) shall be required for assignments in respect of any unfunded Term Loan Commitment or Term Loan unless (1) an Event of Default (or during the Certain Funds Period a Certain Funds Default) has occurred and is continuing at the time of such assignment or (2) after the expiry of the Certain Funds Period, such assignment is to a Lender with an unfunded Term Loan Commitment or Term Loan at such time, an Affiliate of such Lender or an Approved Fund with respect to such Lender; provided, that, the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof;

(C) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (1) any unfunded Term Loan Commitment or any Revolving Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the Commitment subject to such assignment, an Affiliate of such Lender or an Approved Fund with respect to such Lender or (2) any Term Loan to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund;

(D) the consent of the L/C Issuer and the Domestic Swing Line Lender (which shall not be unreasonably withheld or delayed) shall be required for any assignment in respect of any Revolving Commitment.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Company or any of the Company's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), (C) to a natural Person or (D) to any Person that, through its Lending Offices or fronting or other arrangements reasonably acceptable to the Company and the Administrative Agent, is incapable of lending in all Alternative Currencies at the time that such Person is to become a Revolving Lender, is incapable of lending to any of the Borrowers at the time that such Person is to become a Lender or is incapable of lending to any of the relevant Borrowers at

the time that such Person is to become a Lender without the imposition of any additional Indemnified Taxes.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Company and the Administrative Agent, the applicable pro rata share of Revolving Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

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 Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, 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 Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption 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, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; 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 that Lender's having been a Defaulting Lender. Upon request, each Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection 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.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes

of this Agreement. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Company or the Administrative Agent, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Company or any of the Company's Affiliates or Subsidiaries) (each, 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 (including such Lender's participations in L/C Obligations and/or Swing Line Loans) owing to it); 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, the other Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

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 described in clauses (i) through (vi) of Section 11.01(a) that affects such Participant. The Company agrees 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(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Company's request and expense, to use reasonable efforts to cooperate with the Company to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Credit Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. 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. For the avoidance of doubt, the Administrative Agent

(in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority; 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.

(f) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Commitment and Loans pursuant to subsection (b) above, Bank of America (through itself or through one of its designated Affiliates or branch offices) may, upon thirty days' notice to the Borrowers, resign as L/C Issuer and Swing Line Lender. In the event of any such resignation, the Borrowers shall be entitled to appoint from among the Lenders a successor L/C Issuer and Swing Line Lender hereunder; provided, however, that no failure by the Borrowers to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer and Swing Line Lender. If Bank of America (through itself or through one of its designated Affiliates or branch offices) resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If Bank of America (through itself or through one of its designated Affiliates or branch offices) resigns as Swing Line Lender, it shall retain all rights, powers, privileges and duties of a Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Revolving Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(f). Upon the appointment of a successor L/C Issuer or Swing Line Lender, (1) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be and (2) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

(g) Disqualified Institutions.

(i) No assignment or, to the extent the DQ List has been posted on the Platform for all Lenders, participation, shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the applicable Lender entered into a binding agreement to sell and assign or participate all or a portion of its rights and obligations under this Agreement to such Person (unless the Company has consented to such assignment as otherwise contemplated by this Section 11.06, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment). 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 notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution"), such assignee shall not retroactively be considered a Disqualified Institution. Any assignment in violation of this clause (g)(i) shall not be void, but the other provisions of this clause (g) shall apply.

(ii) If any assignment is made to any Disqualified Institution without the Borrower's prior consent in violation of clause (i) above, the Company may, at its sole expense and effort, upon

notice to the applicable Disqualified Institution and the Administrative Agent, (A) terminate any Revolving Commitment of such Disqualified Institution and repay all obligations of the Borrowers owing to such Disqualified Institution in connection with such Revolving Commitment, (B) in the case of any portion of the outstanding Term Loan held by Disqualified Institutions, prepay such portion of the Term Loan by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such portion of the Term Loan, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and under the other Credit Documents and/or (C) require such Disqualified Institution to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in this Section 11.06), all of its interest, rights and obligations under this Agreement and related Credit Documents to an Eligible Assignee that shall assume such obligations 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 and other the other Credit Documents; provided that (i) the Borrowers shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b), (ii) such assignment does not conflict with applicable Laws and (iii) in the case of clause (B), the Borrowers shall not use the proceeds from any Revolving Loans to prepay the portion of the Term Loan held by Disqualified Institutions.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to 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 Credit 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 or plan of liquidation pursuant to any Debtor Relief Laws ("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 Debtor Relief 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 (A) post the list of Disqualified Institutions provided by the Company and any updates thereto from time to time (collectively, the "DQ List") on the Platform, including that portion of the Platform that is designated for "public side" Lenders or (B) provide the DQ List to each Lender requesting the same.

11.07 Treatment of Certain Information; Confidentiality.

Each of the Administrative Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (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 required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Credit Document or any action or proceeding relating to this Agreement or any other Credit Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement (it being understood that the DQ List may be disclosed to any assignee or Participant, or prospective assignee or Participant, in reliance on this clause (f)) or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to a Loan Party and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Company or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Company or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Company.

For purposes of this Section, "Information" means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary, provided that, in the case of information received from a Loan Party or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 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.

Each of the Administrative Agent, the Lenders and the L/C Issuer acknowledges that (a) the Information may include material non-public information concerning the Company or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Set-off. Subject to Section 5.04 and following the expiry of the Certain Funds Period, if an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of any Borrower or any other Loan Party against any

and all of the obligations of any Borrower or such Loan Party now or hereafter existing under this Agreement or any other Credit Document to such Lender or the L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Credit Document and although such obligations of such Borrower or such Loan Party may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender or the L/C Issuer different from the branch office or Affiliate holding such deposit or obligated on such indebtedness; provided, that, in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuer and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Company and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Credit Document, the interest paid or agreed to be paid under the Credit 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 hereunder.

11.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Credit Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or the L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 5.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Credit 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 at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan

or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability. If any provision of this Agreement or the other Credit Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Credit Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the L/C Issuer or the applicable Swing Line Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders. If the Company is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender, a Non-Consenting Lender or a Non-Extending Lender, then the Company may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Credit Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Company shall have paid (or caused a Designated Borrower to pay) to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the applicable Borrower or applicable Designated Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of any such assignment resulting from a Non-Consenting Lender's or a Non-Extending Lender's failure to consent to a proposed change, waiver, discharge or termination with respect to any Credit Document, the applicable replacement bank, financial institution or Fund consents to the proposed change, waiver, discharge or termination; provided that the failure by such Non-Consenting Lender or such Non-Extending Lender, as applicable, to execute and deliver an Assignment and Assumption shall not impair the validity of the removal of such Non-Consenting Lender or such Non-Extending Lender and the mandatory assignment of such Non-Consenting Lender's or such Non-Extending Lender's, as applicable, Commitments and outstanding Loans and participations in L/C Obligations and Swing Line Loans pursuant to this Section 11.13 shall nevertheless be effective without the execution by such Non-Consenting Lender or such Non-Extending Lender, as applicable, of an Assignment and Assumption.

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

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS (EXCEPT, AS TO ANY OTHER CREDIT DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT (EXCEPT, AS TO ANY OTHER CREDIT DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. EACH OF THE BORROWERS AND THE OTHER LOAN PARTIES IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER CREDIT DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AGAINST ANY BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH OF THE BORROWERS AND THE OTHER LOAN PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Right to Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 Electronic Execution. The words "delivery," "execute," "execution," "signed," "signature," and words of like import in any Credit Document or any other document executed in connection herewith shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided further without limiting the foregoing, upon the request of the Administrative Agent, any electronic signature shall be promptly followed by such manually executed counterpart.

11.17 USA PATRIOT Act. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrowers that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of each Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify such Borrower in accordance with the Act. Each Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

11.18 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document), each Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Joint Lead Arrangers, and the Lenders are arm's-length commercial transactions between such Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Joint Lead Arrangers and the Lenders on the other hand, (ii) such Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) such Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (b)(i) the Administrative Agent, the Joint Lead Arrangers and

each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary, for such Borrower or any of its Affiliates or any other Person and (ii) none of the Administrative Agent, the Joint Lead Arrangers and the Lenders has any obligation to such Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; and (c) the Administrative Agent, the Joint Lead Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of such Borrower and its Affiliates, and none of the Administrative Agent, the Joint Lead Arrangers and the Lenders has any obligation to disclose any of such interests to such Borrower or its Affiliates. To the fullest extent permitted by law, each of the Borrowers hereby waives and releases, any claims that it may have against the Administrative Agent, any of the Joint Lead Arrangers or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Credit Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of each Borrower in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Credit Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from any Borrower in the Agreement Currency, such Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

11.20 Certain Representations of the Joint Lead Arrangers and the Lenders. Each Lender which is an original signatory hereto as at the date of this Agreement hereby represents and warrants to the Borrowers as of the date of this Agreement that (a) it received a letter from the Company dated September 27, 2017 inviting it to become a lender under this Agreement and (b) at the time it received that letter it was carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets. Each of the Joint Lead Arrangers and the Lenders agrees to provide to the Borrowers, upon the reasonable request of any of the Borrowers (and at the cost of the requesting Borrower), factual information about such Joint Lead Arranger or such Lender, as applicable, or take such other action as any of the Borrowers reasonably requires, as such Borrower considers reasonably necessary to demonstrate that the exemption from Australian interest withholding tax under Section 128F of the Tax Act has been complied with in relation to this Agreement other than where to do so would, in the opinion of such Joint Lead Arranger or such Lender, as applicable, involve a breach of law, regulation or duty of confidentiality owed to any person.

11.21 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Solely to the extent any Lender or L/C Issuer that is an EEA Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding

among any such parties, each party hereto acknowledges that any liability of any Lender or L/C Issuer that is an EEA Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA 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 an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or L/C Issuer that is an EEA 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 EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

11.22 Amendment and Restatement. The parties hereto agree that, on the Closing Date, the following transactions shall be deemed to occur automatically, without further action by any party hereto: (a) the Existing Credit Agreement shall be deemed to be amended and restated in its entirety pursuant to this Agreement, (b) all Obligations (as defined in the Existing Credit Agreement) under the Existing Credit Agreement shall be deemed to be Obligations outstanding hereunder and this Agreement shall not constitute a novation of such Obligations or any of the rights, duties and obligations of the parties hereunder and (c) all references in the other Credit Documents to the Existing Credit Agreement shall be deemed to refer without further amendment to this Agreement. The parties hereto further acknowledge and agree that this Agreement constitutes an amendment to the Existing Credit Agreement made under and in accordance with the terms of Section 11.01 of the Existing Facility Agreement. All revolving loans outstanding under the Existing Credit Agreement immediately prior to the Closing Date shall, as of the Closing Date, be deemed to be a borrowing of Revolving Loans in an equivalent amount and with the same Interest Period (to the extent applicable for Eurocurrency Rate Loans) hereunder as of the Closing Date and in connection therewith, the Administrative Agent, the Borrowers and the Lenders hereby acknowledge and agree that the revolving commitments in effect under the Existing Credit Agreement immediately prior to the Closing Date have been reallocated to the Revolving Commitments set forth on Schedule 2.01 and the revolving loans outstanding under the Existing Credit Agreement immediately prior to the Closing Date have been reallocated as necessary to give effect to the Revolving Commitments, and such reallocations shall be effective on the Closing Date and do not require any Assignment and Assumption or any other action of any Person.

11.23 Waiver of Notice Period and Breakage Costs. Each Lender that is a party to the Existing Credit Agreement waives (a) the notice period required under the Existing Credit Agreement for the submission of a notice of repayment of the loans outstanding under the Existing Credit Agreement on the Closing Date and (b) its right to receive compensation under Section 3.05 of the Existing Credit Agreement in connection with the repayment of the loans outstanding under the Existing Credit Agreement on the Closing Date.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Syndicated Facility Agreement to be duly executed as of the date first above written.

BORROWERS: GENUINE PARTS COMPANY, a Georgia corporation

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

UAP INC.,
a company constituted under the laws of Quebec

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Treasurer

DESIGNATED BORROWERS: GPC ASIA PACIFIC PTY LTD,
an Australian proprietary company limited by shares registered under the laws of the State of Victoria

By: /s/ Julian A. Buckley
Name: Julian A. Buckley
Title: Director

By: /s/ Rob Cameron
Name: Rob Cameron
Title: Director

GPC ASIA PACIFIC LIMITED,
a New Zealand proprietary company limited by shares registered under the laws of New Zealand

By: /s/ Julian A. Buckley
Name: Julian A. Buckley
Title: Director

By: /s/ Rob Cameron
Name: Rob Cameron
Title: Director

GPC ASIA PACIFIC GROUP PTY LTD,
an Australian proprietary company limited by shares registered under the laws of the State of Victoria

By: /s/ Julian A. Buckley
Name: Julian A. Buckley
Title: Director

By: /s/ Rob Cameron
Name: Rob Cameron
Title: Director

GPC ASIA PACIFIC ACQUISITION CO PTY LTD,
an Australian proprietary company limited by shares registered under the laws of the State of Victoria

By: /s/ Julian A. Buckley
Name: Julian A. Buckley
Title: Director

By: /s/ Rob Cameron
Name: Rob Cameron
Title: Director

GPC ASIA PACIFIC HOLDINGS PTY LTD.,
an Australian proprietary company limited by shares registered under the laws of the State of Victoria

By: /s/ Julian A. Buckley
Name: Julian A. Buckley
Title: Director

By: /s/ Rob Cameron
Name: Rob Cameron
Title: Director

ADMINISTRATIVE AGENT: BANK OF AMERICA, N.A., as Administrative Agent

By:/s/ Anthea Del Bianco
Name: Anthea Del Bianco
Title: Vice President

LENDERS: BANK OF AMERICA, N.A.,
as a Lender, Domestic Swing Line Lender and L/C Issuer

By:/s/ Mary K. Giermek
Name: Mary K. Giermek
Title: Senior Vice President

BANK OF AMERICA, N.A., acting through its Canada branch,
as Canadian Swing Line Lender and Canadian L/C Issuer

By:/s/ Medina Sales de Andrade
Name: Medina Sales de Andrade
Title: Vice President

BANK OF AMERICA, N.A., acting through its Australia branch, as Australian Swing Line Lender

By:/s/ Michael Senyard
Name: Michael Senyard
Title: Director

SUNTRUST BANK, as a Lender

By:/s/ David Ernst
Name: David Ernst
Title: Vice President

WELLS FARGO BANK, N.A., as a Lender

By:/s/ William Nixon
Name: William Nixon
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., as a Lender

By:/s/ John A. Horst
Name: John A. Horst
Title: Executive Director

TORONTO DOMINION (TEXAS) LLC, as a Lender

By:/s/ Pradeep Mehra
Name: Pradeep Mehra
Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By:/s/ Conan Schleicher
Name: Conan Schleicher
Title: Senior Vice President

AUSTRALIA AND NEW ZEALAND BANKING
GROUP LIMITED, as a Lender

By:/s/ Robert Grillo
Name: Robert Grillo
Title: Director

BRANCH BANKING AND TRUST COMPANY, as a Lender

By:/s/ Sean Miller
Name: Sean Miller
Title:Vice President

NATIONAL AUSTRALIA BANK LIMITED, as a Lender

By:/s/ Michael Peterson
Name: Michael Peterson
Title: Associate Director

THE NORTHERN TRUST COMPANY, as a Lender

By:/s/ Joshua Metcalf
Name: Joshua Metcalf
Title: 2VP

SANTANDER BANK, N.A., as a Lender

By:/s/ Andres Barbosa
Name: Andres Barbosa
Title: Executive Director

SYNOVUS BANK, as a Lender

By:/s/ Blake Gober
Name: Blake Gober
Title: Corporate Banker

FIRST TENNESSEE BANK, N.A., as a Lender

By:/s/ Terrence J Dolch
Name: Terrence J Dolch
Title: Senior Vice President

BMO HARRIS BANK, N.A., as a Lender

By:/s/ William Thomson
Name: William Thomson
Title: Director

BANK OF MONTREAL, as a Lender

By:/s/ Helen Alvarez-Hernandez
Name: Helen Alvarez-Hernandez
Title: Managing Director

HSBC BANK USA, NATIONAL ASSOCIATION, as a Lender

By:/s/ Devin Moore
Name: Devin Moore
Title: Vice President

CITIZENS BANK, N.A., as a Lender

By:/s/ Jonathan Gault
Name: Jonathan Gault
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By:/s/ Robb Hoover
Name: Robb Hoover
Title: Vice President

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., as a Lender

By:/s/ Katie Cunningham
Name: Katie Cunningham
Title: Vice President

NATIONAL WESTMINISTER BANK PLC, as a Lender

By:/s/ Jonathan Eady
Name: Jonathan Eady
Title: Vice President

COMMERZBANK AG, NEW YORK BRANCH, as a Lender

By:/s/ Pedro Bell
Name: Pedro Bell
Title: Director

COMMERZBANK AG, NEW YORK BRANCH, as a Lender

By:/s/ Dennis Guenther
Name: Dennis Guenther
Title: Vice President

EXECUTED AS OF THE DATE OF THIS AGREEMENT SOLELY IN CONNECTION WITH THE REPRESENTATION MADE IN SECTION 11.20 OF THIS AGREEMENT AND FOR NO OTHER PURPOSE:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, in its capacity as a Joint Lead Arranger

By:/s/ Britt Canady
Name: Britt Canady
Title: Managing Director

JPMORGAN CHASE BANK, N.A.,
in its capacity as a Joint Lead Arranger

By:/s/ John A. Horst
Name: John A Horst
Title: Executive Director

SUNTRUST ROBINSON HUMPHREY, INC.,
in its capacity as a Joint Lead Arranger

By:/s/ Frank Tantillo
Name: Frank Tantillo
Title: Managing Director

WELLS FARGO SECURITIES, LLC,
in its capacity as a Joint Lead Arranger

By:/s/ Corey Clamp
Name: Corey Clamp
Title: Vice President

**EXHIBIT 10.31**

EXECUTION COPY

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GENUINE PARTS COMPANY
U.S.$120,000,000 Series I Senior Notes due October 30, 2027
€225,000,000 Series J Senior Notes due October 30, 2024
€250,000,000 Series K Senior Notes due October 30, 2027
€125,000,000 Series L Senior Notes due October 30, 2029
€100,000,000 Series M Senior Notes due October 30, 2032

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NOTE PURCHASE AGREEMENT

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Dated as of October 30, 2017

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**GENUINE PARTS COMPANY**
2999 Wildwood Parkway
Atlanta, Georgia 30339

U.S.$120,000,000 Series I Senior Notes due October 30, 2027
€225,000,000 Series J Senior Notes due October 30, 2024
€250,000,000 Series K Senior Notes due October 30, 2027
€125,000,000 Series L Senior Notes due October 30, 2029
€100,000,000 Series M Senior Notes due October 30, 2032

Dated as of October 30, 2017

TO EACH OF THE PURCHASERS
LISTED IN SCHEDULE B HERETO:

Ladies and Gentlemen:

GENUINE PARTS COMPANY, a Georgia corporation (the " **Company**"), hereby agrees with each of the Purchasers as follows:

**Section 1.AUTHORIZATION OF NOTES.**

**Section 1.1. Authorization of Notes.**

The Company will authorize the issue and sale of its senior notes, of which (a) U.S.$120,000,000 aggregate principal amount shall be its 3.70% Series I Senior Notes due October 30, 2027 (the "**Series I Notes**"), (b) €225,000,000 aggregate principal amount shall be its 1.40% Series J Senior Notes due October 30, 2024 (the "**Series J Notes**"), (c) €250,000,000 aggregate principal amount shall be its 1.81% Series K Senior Notes due October 30, 2027 (the "**Series K Notes**"), (d) €125,000,000 aggregate principal amount shall be its 2.02% Series L Senior Notes due October 30, 2029 (the "**Series L Notes**") and (e) €100,000,000 aggregate principal amount shall be its 2.32% Series M Senior Notes due October 30, 2032 (the "**Series M Notes**"). The Series I Notes, the Series J Notes, the Series K Notes, the Series L Notes and the Series M Notes are hereinafter referred to collectively as the "**Notes**." The Series I Notes, the Series J Notes, the Series K Notes, the Series L Notes and the Series M Notes shall be substantially in the forms set out in Exhibits 1(I), 1(J), 1(K), 1(L) and 1(M), respectively.

**Section 1.2. Terms.**

All capitalized terms used in this Agreement are defined in Schedule A and, for purposes of this Agreement, the rules of construction set forth in Section 22.4 shall govern.

**SECTION 2.SALE AND PURCHASE OF NOTES.**

Subject to the terms and conditions of this Agreement, the Company will issue and sell to each Purchaser and each Purchaser will purchase from the Company, on the Closing Day, Notes of

the series and in the principal amount specified opposite such Purchaser's name in Schedule B at the purchase price of 100% of the principal amount thereof. The Purchasers' obligations hereunder are several and not joint obligations and no Purchaser shall have any liability to any Person for the performance or non-performance of any obligation by any other Purchaser hereunder.

**SECTION 3.CLOSING DAY.**

The sale and purchase of the Notes to be purchased by each Purchaser shall occur at the offices of Schiff Hardin LLP, 666 Fifth Avenue, 17th Floor, New York, New York 10103, at 10:00 a.m., Eastern time, at a closing (the " **Closing**") on October 30, 2017 (the "**Closing Day**"). At the Closing, the Company will deliver to each Purchaser the Notes of each series to be purchased by it in the form of a single Note (or such greater number of Notes of such series in denominations of at least U.S.$100,000 (in the case of U.S. Dollar Notes) and €100,000 (in the case of Euro Notes), as such Purchaser may request), dated the date of the Closing Day, and registered in such Purchaser's name (or in the name of its nominee), against delivery by such Purchaser to the Company or its order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds as set forth in the Funding Instruction Letter. If on the Closing Day the Company shall fail to tender such Notes to any Purchaser as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to the satisfaction of any Purchaser, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights it may have by reason of such failure by the Company to tender such Notes or any of the conditions specified in Section 4 not having been fulfilled to such Purchaser's satisfaction.

**SECTION 4.CONDITIONS TO CLOSING.**

Each Purchaser's obligation to purchase and pay for the Notes to be sold to such Purchaser at the Closing is subject to the fulfillment to its satisfaction, on or prior to the Closing Day, of the following conditions:

**Section 4.1. Representations and Warranties.**

The representations and warranties of the Company in this Agreement shall be correct when made and at the time of the Closing.

**Section 4.2. Performance; No Default.**

The Company shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it on or prior to the Closing Day and after giving effect to the issue and sale of the Notes (and the application of the proceeds thereof as contemplated by Section 5.14) no Default or Event of Default shall have occurred and be continuing.

**Section 4.3. Compliance Certificates, Organizational Documents and Certificate of Good Standing.**

(a) Officer's Certificate. The Company shall have delivered to such Purchaser an Officer's Certificate, dated the Closing Day, certifying that the conditions specified in Sections 4.1, 4.2 and 4.9 have been fulfilled, substantially in the form of Exhibit 4.3(a).

(b) Secretary's Certificate. The Company shall have delivered to such Purchaser a certificate of its Secretary dated the Closing Day certifying as to the resolutions attached thereto and other corporate proceedings relating to the authorization, execution and delivery of the Notes and this Agreement, substantially in the form of Exhibit 4.3(b), and certifying the attached copies of the Articles of Incorporation and By-Laws of the Company.

(c) Certificate of Existence. The Company shall have delivered to such Purchaser a good standing certificate in the form of a Certificate of Existence for the Company from the Secretary of State of the State of Georgia dated of a recent date and such other evidence of the status of the Company as such Purchaser may request.

**Section 4.4. Opinions of Counsel.**

Such Purchaser shall have received opinions in form and substance satisfactory to it, dated the Closing Day (a) (i) from Scott Smith, Esq., Senior Vice President and General Counsel for the Company, covering the matters set forth in Exhibit 4.4(a)(i) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or its counsel may reasonably request, and (ii) from Davis Polk & Wardwell LLP, special counsel to the Company, covering the matters set forth in Exhibit 4.4(a)(ii) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or its counsel may reasonably request (and the Company hereby instructs such counsel to deliver such opinion to the Purchasers) and (b) from Schiff Hardin LLP, the Purchasers' special counsel in connection with such transactions, substantially in the form set forth on Exhibit 4.4(b) and covering such other matters incident to such transactions as such Purchaser may reasonably request.

**Section 4.5. Purchase Permitted By Applicable Law, Etc.**

The purchase of and payment for the Notes to be purchased by such Purchaser on the terms and conditions herein provided (including use of the proceeds of such Notes by the Company) shall not violate any applicable law or regulation (including Section 5 of the Securities Act and Regulations T, U and X of the Board of Governors of the Federal Reserve System) and not subject such Purchaser to any tax, penalty, liability or other onerous condition under or pursuant to any applicable law or government regulation and such Purchaser shall have received such certificates or other evidence as it shall have requested to establish compliance with this condition.

**Section 4.6. Sale of Other Notes.**

Contemporaneously with the Closing, the Company shall sell to each other Purchaser and each other Purchaser shall purchase the Notes to be purchased by it on the Closing Day as specified in Schedule B.

**Section 4.7. Payment of Special Counsel Fees.**

Without limiting Section 15.1, the Company shall have paid on or before the Closing Day the fees, charges and disbursements of the Purchasers' special counsel referred to in Section 4.4(b) to the extent reflected in a statement of such counsel rendered to the Company at least one Business Day prior to the Closing Day.

**Section 4.8. Private Placement Numbers.**

A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the SVO) shall have been obtained for each series of the Notes.

**Section 4.9. Changes in Corporate Structure.**

Except as specified in Schedule 4.9, the Company shall not have changed its jurisdiction of incorporation or been a party to any merger or consolidation and shall not have succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

**Section 4.10. Funding Instruction Letter.**

At least three Business Days prior to the Closing Day, the Company shall have delivered the Funding Instruction Letter to such Purchaser.

**Section 4.11. Proceedings and Documents.**

All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to such Purchaser and its special counsel, and such Purchaser or its special counsel shall have received all such counterpart originals or certified or other copies of such documents as they may reasonably request.

**SECTION 5.REPRESENTATIONS AND WARRANTIES OF THE COMPANY.**

The Company represents and warrants to each Purchaser that:

**Section 5.1. Organization; Power and Authority.**

The Company is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Agreement and the Notes and to perform the provisions hereof and thereof.

**Section 5.2. Authorization, Etc.**

This Agreement and the Notes have been duly authorized by all necessary corporate action on the part of the Company, and this Agreement constitutes, and upon execution and delivery thereof each Note will constitute, a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

**Section 5.3. Disclosure.**

The Company, through its agents, JPMorgan Securities, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, has delivered to each Purchaser a copy of a Private Placement Memorandum, dated October 2017 (the **"Memorandum"**), relating to the transactions contemplated hereby. This Agreement, the Memorandum, the financial statements listed in Schedule 5.5 and the documents, certificates or other writings delivered to the Purchasers by or on behalf of the Company prior to October 18, 2017 in connection with the transactions contemplated hereby and identified in Schedule 5.3 (this Agreement, the Memorandum and such documents, certificates or other writings and such financial statements delivered to each Purchaser being referred to, collectively, as the **"Disclosure Documents"**), taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made, and all financial projections concerning the Company and its Subsidiaries relating to the transactions contemplated hereby contained in the Disclosure Documents (the "**Projections**") have been prepared in good faith based upon assumptions that are believed by the preparer thereof to be reasonable at the time of preparation and at the time such Projections are furnished (it being understood that Projections by their nature are inherently uncertain and no assurances are being given that the results reflected in such projections will be achieved and any differences from the projected results may be material). Except as disclosed in the Disclosure Documents, since December 31, 2016, there has been no change in the financial condition, operations, business or properties of the Company or any of its Subsidiaries except changes that individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect.

**Section 5.4. Organization and Ownership of Shares of Subsidiaries.**

(a) As of the date hereof, Schedule 5.4 contains (except as noted therein) a complete and correct list of (a) the Company's Subsidiaries, showing, as to each Subsidiary, the name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by the Company and each other Subsidiary and whether such Subsidiary is a Guarantor, and (b) the Company's directors and senior officers.

(b) All of the outstanding shares of capital stock or similar equity interests of each Subsidiary shown in Schedule 5.4 as being owned by the Company and its Subsidiaries have been validly issued, are fully paid and nonassessable and are owned by the Company or another Subsidiary free and clear of any Lien (except as disclosed in Schedule 5.4).

(c) Each Subsidiary identified in Schedule 5.4 is a corporation or other legal entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Subsidiary has the corporate or other power and authority to own or hold under lease the properties it purports to own or hold under lease and to transact the business it transacts and proposes to transact.

(d) No Subsidiary is subject to any legal, regulatory, contractual or other restriction (other than the agreements listed on Schedule 5.4 and customary limitations imposed by corporate law or similar statutes) restricting the ability of such Subsidiary to pay dividends out of profits or make any other similar distributions of profits to the Company or any of its Subsidiaries that owns outstanding shares of capital stock or similar equity interests of such Subsidiary.

**Section 5.5. Financial Statements; Material Liabilities.**

The Company has delivered to each Purchaser copies of the financial statements of the Company and its Subsidiaries listed in Schedule 5.5. All of said financial statements (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of the Company and its Subsidiaries as of the respective dates so specified in such Schedule and the consolidated results of their operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments). Since the date of the most recent financial statements of the Company and its Subsidiaries listed in Schedule 5.5, the Company and its Subsidiaries have not incurred any Material liabilities of the type that would be required to be disclosed in the Company's financial statements prepared in accordance with GAAP that are not disclosed in the Disclosure Documents.

**Section 5.6. Compliance with Laws, Other Instruments, Etc.**

The execution, delivery and performance by the Company of this Agreement and the Notes will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Company or any Subsidiary under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter, regulations or by-laws, shareholders agreement or any other Material agreement or instrument to which the Company or any Subsidiary is bound or by which the Company or any Subsidiary or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to the Company or any Subsidiary or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Company or any Subsidiary.

**Section 5.7. Governmental Authorizations, Etc.**

Assuming the accuracy of the representation of each Purchaser set forth in Section 6.1, no consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Company of this Agreement or the Notes, including any thereof required in connection with the obtaining of Euros to make payments under this Agreement, the Notes or any Guaranty Agreement and the payment of any such Euros to Persons resident in the United States.

**Section 5.8. Litigation; Observance of Statutes and Orders.**

(a) There are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened against or affecting the Company or any Subsidiary or any property of the Company or any Subsidiary in any court or before any arbitrator of any kind or before or by any Governmental Authority that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(b) Neither the Company nor any Subsidiary is (i) in violation of any order, judgment, decree or ruling of any court, any arbitrator of any kind or any Governmental Authority or (ii) in violation of any applicable law, ordinance, rule or regulation of any Governmental Authority (including Environmental Laws, the USA PATRIOT Act or any of the other laws and regulations that are referred to in Section 5.16), which violation would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 5.9. Taxes.**

The Company and its Subsidiaries have filed all tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments payable by them, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (a) the amount of which is not individually or in the aggregate Material or (b) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the Company or a Subsidiary, as the case may be, has established adequate reserves in accordance with GAAP. The charges, accruals and reserves on the books of the Company and its Subsidiaries in respect of U.S. federal, state or other taxes for all fiscal periods are adequate. The U.S. federal income tax liabilities of the Company and its Subsidiaries have been determined (whether by reason of completed audits or the statute of limitations having run) for all fiscal years up to and including the fiscal year ended December 31, 2013.

**Section 5.10. Title to Property; Leases.**

The Company and its Subsidiaries have good and sufficient title to their respective Material properties, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.5 or purported to have been acquired by the Company or any Subsidiary after said date (except as sold or otherwise disposed of in the ordinary course of business), in each case free

and clear of Liens prohibited by this Agreement, except for those defects in title that, individually or in the aggregate, would not have a Material Adverse Effect. All Material leases are valid and subsisting and are in full force and effect in all material respects.

**Section 5.11. Licenses, Permits, Etc.**

The Company and its Subsidiaries own or possess all licenses, permits, authorizations, patents, copyrights, proprietary software, service marks, trademarks, trade names and other similar property, or rights thereto, that, individually or in the aggregate, are Material, without known conflict with the rights of others, except for those conflicts that, individually or in the aggregate, would not have a Material Adverse Effect.

**Section 5.12. Compliance with Employee Benefit Plans.**

(a) The Company and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in section 3 of ERISA), and no event, transaction or condition has occurred or exists that would, individually or in the aggregate, reasonably be expected to result in the incurrence of any such liability by the Company or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to section 430(k) of the Code or to any such penalty or excise tax provisions under the Code or federal law or section 4068 of ERISA or by the granting of a security interest in connection with the amendment of a Plan, other than such liabilities or Liens as would not be individually or in the aggregate Material.

(b) The present value of the aggregate benefit liabilities under each of the Plans (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities by more than U.S.$25,000,000 in the case of any single Plan and by more than U.S.$50,000,000 in the aggregate for all Plans. The term "benefit liabilities" has the meaning specified in section 4001 of ERISA and the terms "current value" and "present value" have the meaning specified in section 3 of ERISA.

(c) The Company and its ERISA Affiliates have not incurred (i) withdrawal liabilities (and are not subject to contingent withdrawal liabilities) under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate are Material or (ii) any obligation in connection with the termination of or withdrawal from any Non-U.S. Plan that individually or in the aggregate are Material.

(d) The expected postretirement benefit obligation (determined as of the last day of the Company's most recently ended fiscal year in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 715-60, without regard to liabilities attributable to continuation coverage mandated by section 4980B of the Code) of the Company and its Subsidiaries is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Notes hereunder will not involve any transaction that is subject to the prohibitions of section 406 of ERISA or in connection with which a tax could be imposed pursuant to section 4975(c)(1)(A)-(D) of the Code. The representation by the Company to each Purchaser in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of such Purchaser's representation in Section 6.2 as to the sources of the funds to be used to pay the purchase price of the Notes to be purchased by such Purchaser.

(f) All Non-U.S. Plans have been established, operated, administered and maintained in compliance with all laws, regulations and orders applicable thereto, except where failure so to comply could not be reasonably expected to have a Material Adverse Effect. All premiums, contributions and any other amounts required by applicable Non-U.S. Plan documents or applicable laws to be paid or accrued by the Company and its Subsidiaries have been paid or accrued as required, except where failure so to pay or accrue could not be reasonably expected to have a Material Adverse Effect.

**Section 5.13. Private Offering by the Company.**

Neither the Company nor anyone acting on its behalf has offered the Notes or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any Person other than not more than 50 Institutional Investors (including the Purchasers), each of which has been offered the Notes at a private sale for investment. Neither the Company nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction.

**Section 5.14. Use of Proceeds; Margin Regulations.**

The Company will apply the proceeds of the sale of the Notes for general corporate purposes and for any other lawful purpose, including to finance a portion of the consideration for the Acquisition. No part of the proceeds from the sale of any Note hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 10% of the value of the consolidated assets of the Company and its Subsidiaries and the Company does not have any present intention that margin stock will constitute more than 10% of the value

of such assets. As used in this Section, the terms "**margin stock**" and "**purpose of buying or carrying**" shall have the meanings assigned to them in said Regulation U.

**Section 5.15. Existing Indebtedness.**

(a) Except as described therein, Schedule 5.15 sets forth a complete and correct list of all outstanding Indebtedness of the Company and its Subsidiaries as of October 30, 2017 (including descriptions of the obligors and obligees, principal amounts outstanding, any collateral therefor and any Guaranty thereof), and from such date through the date of this Agreement there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Indebtedness of the Company or its Subsidiaries. Neither the Company nor any Subsidiary is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Company or such Subsidiary and no event or condition exists with respect to any Indebtedness of the Company or any Subsidiary the outstanding principal amount of which exceeds U.S.$50,000,000 that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) Neither the Company nor any Subsidiary is a party to, or otherwise subject to any provision contained in, any instrument evidencing Indebtedness for borrowed money of the Company or such Subsidiary in an amount exceeding U.S.$50,000,000 or its charter or any other organizational document which limits the amount of, or otherwise imposes restrictions on the incurring of, Indebtedness of the Company, except as disclosed in Schedule 5.15.

**Section 5.16. Foreign Assets Control Regulations, Etc.**

(a) Neither the Company nor any Controlled Entity (i) is a Blocked Person, (ii) has been notified that its name appears or may in the future appear on a State Sanctions List or (iii) is a target of sanctions that have been imposed by the United Nations or the European Union.

(b) Neither the Company nor any Controlled Entity (i) has violated, been found in violation of, or been charged or convicted under, any applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws or (ii) to the Company's knowledge, is under investigation by any Governmental Authority for possible violation of any U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws.

(c) No part of the proceeds from the sale of the Notes hereunder:

(i) constitutes or will constitute funds obtained on behalf of any Blocked Person or will otherwise be used by the Company or any Controlled Entity, directly or indirectly, (A) in connection with any investment in, or any transactions or dealings with, any Blocked Person, (B) for any purpose that would cause any Purchaser to

be in violation of any U.S. Economic Sanctions Laws or (C) otherwise in violation of any U.S. Economic Sanctions Laws;

(ii) will be used, directly or indirectly, in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Money Laundering Laws; or

(iii) will be used, directly or indirectly, for the purpose of making any improper payments, including bribes, to any Governmental Official or commercial counterparty in order to obtain, retain or direct business or obtain any improper advantage, in each case which would be in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Corruption Laws.

(d) The Company has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Company and each Controlled Entity is and will continue to be in compliance with all applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws and Anti-Corruption Laws.

**Section 5.17. Status under Certain Statutes.**

Neither the Company nor any Subsidiary is subject to regulation under the Investment Company Act of 1940, the Public Utility Holding Company Act of 2005, the ICC Termination Act of 1995, or the Federal Power Act.

**SECTION 6.REPRESENTATIONS OF THE PURCHASERS.**

Each Purchaser severally represents as follows as of the Closing Day:

**Section 6.1. Nature of Purchase.**

Such Purchaser is acquiring the Notes purchased by it hereunder for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to or for sale in connection with any distribution thereof within the meaning of the Securities Act, *provided* that the disposition of such Purchaser's or their property shall at all times be and remain within such Purchaser's or their control. Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Company is not required to register the Notes.

**Section 6.2. Source of Funds.**

At least one of the following statements is an accurate representation as to each source of funds (a "**Source**") to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" (as the term is defined in the United States Department of Labor's Prohibited Transaction Exemption ("**PTE**") 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the NAIC (the "**NAIC Annual Statement**")) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) *plus* surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is a separate account that is maintained solely in connection with such Purchaser's fixed contractual obligations under which the amounts payable, or credited, to any employee benefit plan (or its related trust) that has any interest in such separate account (or to any participant or beneficiary of such plan (including any annuitant)) are not affected in any manner by the investment performance of the separate account; or

(c) the Source is either (i) an insurance company pooled separate account, within the meaning of PTE 90-1 or (ii) a bank collective investment fund, within the meaning of PTE 91-38 and, except as disclosed by such Purchaser to the Company in writing pursuant to this clause (c), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund; or

(d) the Source constitutes assets of an "investment fund" (within the meaning of Part VI of PTE 84-14 (the **"QPAM Exemption"**)) managed by a "qualified professional asset manager" or "QPAM" (within the meaning of Part VI of the QPAM Exemption), no employee benefit plan's assets that are managed by the QPAM in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, represent more than 20% of the total client assets managed by such QPAM, the conditions of Part I(c) and (g) of the QPAM Exemption are satisfied, neither the QPAM nor a Person controlling or controlled by the QPAM maintains an ownership interest in the Company that would cause the QPAM and the Company to be "related" within the meaning of Part VI(h) of the QPAM Exemption and (i) the identity of such QPAM and (ii) the names of any employee benefit plans whose assets in the investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization, represent 10% or more of the assets of such investment fund, have been disclosed to the Company in writing pursuant to this clause (d); or

(e) the Source constitutes assets of a "plan(s)" (within the meaning of Part IV(h) of PTE 96-23 (the **"INHAM Exemption"**)) managed by an "in-house asset manager" or "INHAM" (within the meaning of Part IV(a) of the INHAM Exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a Person controlling or controlled by the INHAM (applying the definition of "control" in Part IV(d)(3) of the INHAM Exemption) owns a 10% or more interest in the Company and (i) the identity of such INHAM and (ii) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Company in writing pursuant to this clause (e); or

(f) the Source is a governmental plan; or

(g) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Company in writing pursuant to this clause (g); or

(h) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms "employee benefit plan," "governmental plan," and "separate account" shall have the respective meanings assigned to such terms in section 3 of ERISA.

**SECTION 7.INFORMATION AS TO THE COMPANY.**

**Section 7.1. Financial and Business Information.**

The Company shall deliver to each holder of the Notes that is an Institutional Investor:

(a) Quarterly Statements — within 60 days after the end of each quarterly fiscal period in each fiscal year of the Company (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of,

(i) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarter, and

(ii) consolidated statements of income, changes in shareholders' equity, if then prepared, and cash flows of the Company and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments;

(b) Annual Statements — within 105 days after the end of each fiscal year of the Company, duplicate copies of,

(i) a consolidated balance sheet of the Company and its Subsidiaries, as at the end of such year, and

(ii) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries, for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent certified public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances;

(c) SEC and Other Reports — promptly upon their becoming available, one copy of (i) each financial statement, report, notice, proxy statement or similar document sent by the Company or any Subsidiary to its principal lending banks as a whole (excluding information sent to such banks in the ordinary course of administration of a bank facility, such as information relating to pricing and borrowing availability) or to its public securities holders generally, and (ii) each regular or periodic report, each registration statement that shall have become effective (without exhibits except as expressly requested by such holder), and each final prospectus and all amendments thereto filed by the Company or any Subsidiary with the Securities and Exchange Commission;

(d) Notice of Default or Event of Default — promptly, and in any event within five days after a Responsible Officer becoming aware of the existence of any Default or Event of Default, a written notice specifying the nature and period of existence thereof and what action the Company is taking or proposes to take with respect thereto;

(e) Employee Benefit Matters — promptly, and in any event within five days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Company or an ERISA Affiliate proposes to take with respect thereto:

(i) with respect to any Plan, any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date of this Agreement; or

(ii) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(iii) any event, transaction or condition that could result in the incurrence of any liability by the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or Lien, taken together with any other such liabilities or Liens then existing, would reasonably be expected to have a Material Adverse Effect; or

(iv) receipt of notice of the imposition of a Material financial penalty (which for this purpose shall mean any tax, penalty or other liability, whether by way of indemnity or otherwise) with respect to one or more Non-U.S. Plans;

(f) Notices from Governmental Authority — promptly, and in any event within 30 days of receipt thereof, copies of any notice to the Company or any Subsidiary from any federal or state Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect;

(g) Resignation or Replacement of Auditors — within 10 days following the date on which the Company's auditors resign or the Company elects to change auditors, as the case may be, notification thereof, together with such further information as the Required Holders may request; and

(h) Requested Information — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Company or any of its Subsidiaries or relating to the ability of the Company or any Guarantor to perform its obligations hereunder, under the Notes or under any Guaranty Agreement as from time to time may be reasonably requested by any such holder of Notes.

**Section 7.2. Officer's Certificate.**

Each set of financial statements delivered to a holder of Notes pursuant to Section 7.1(a) or Section 7.1(b) hereof shall be accompanied by a certificate of a Senior Financial Officer setting forth:

(a) Covenant Compliance — the information (including detailed calculations) required in order to establish whether the Company was in compliance with the requirements of Section 8.8, Section 10.1 and Section 10.2, inclusive, in each case during the quarterly or annual period covered by the financial statements then being furnished (including with

respect to each such Section, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Sections, and the amount, ratio or percentage then in existence). In the event that the Company or any Subsidiary has made an election to measure any financial liability using fair value (which election is being disregarded for purposes of determining compliance with this Agreement pursuant to Section 22.4) as to the period covered by any such financial statement, such Senior Financial Officer's certificate as to such period shall include a reconciliation from GAAP with respect to such election;

(b) Event of Default — a statement that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Company and its Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including any such event or condition resulting from the failure of the Company or any Subsidiary to comply with any Environmental Law), specifying the nature and period of existence thereof and what action the Company shall have taken or proposes to take with respect thereto; and

(c) Guarantors; Principal Credit Facility — a list of all Subsidiaries of the Company that are or, since the date of the most recent audited financial statements referred to in Section 5.5 or the most recent report delivered pursuant to Section 7.1 (as the case may be), have become borrowers under, or guarantors in respect of, any Principal Credit Facility, and if any such change has occurred, specifying which Subsidiaries have become obligors with respect to such Principal Credit Facility, whether they have become borrowers thereunder or guarantors thereof and the date on which they became borrowers or guarantors.

**Section 7.3. Inspection.**

The Company shall permit the representatives of each holder of Notes that is an Institutional Investor:

(a) No Default — if no Default or Event of Default then exists, at the expense of such holder and upon reasonable prior notice to the Company, to visit the principal executive office of the Company, to discuss the affairs, finances and accounts of the Company and its Subsidiaries with the Company's officers, and, with the consent of the Company (which consent will not be unreasonably withheld) to visit the other offices and properties of the Company and each Subsidiary, all at such reasonable times and as often as may be reasonably requested in writing; and

(b) Default — if a Default or Event of Default then exists, at the expense of the Company to visit and inspect any of the offices or properties of the Company or any Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this

provision the Company authorizes said accountants to discuss the affairs, finances and accounts of the Company and its Subsidiaries), all at such times and as often as may be requested.

**Section 7.4. Electronic Delivery.**

Financial statements, opinions of independent certified public accountants, other information and Officer's Certificates that are required to be delivered by the Company pursuant to Sections 7.1(a), (b) or (c) and Section 7.2 shall be deemed to have been delivered if the Company satisfies any of the following requirements with respect thereto:

(a) such financial statements satisfying the requirements of Section 7.1(a) or (b) and related Officer's Certificate satisfying the requirements of Section 7.2 and any other information required under Section 7.1(c) are delivered to each holder of a Note by e-mail at the e-mail address set forth in Schedule B for such holder or as communicated from time to time by such holder in a separate writing delivered to the Company;

(b) the Company shall have timely filed its Quarterly Report on Form 10–Q or Annual Report on Form 10–K, satisfying the requirements of Section 7.1(a) or Section 7.1(b), as the case may be, with the SEC on EDGAR and shall have made such form and the related Officer's Certificate satisfying the requirements of Section 7.2 available on its home page on the internet, which is located at http://gpc.com as of the date of this Agreement;

(c) such financial statements satisfying the requirements of Section 7.1(a) or Section 7.1(b) and related Officer's Certificate(s) satisfying the requirements of Section 7.2 and any other information required under Section 7.1(c) are timely posted by or on behalf of the Company on IntraLinks or on any other similar website to which each holder of Notes has free access; or

(d) the Company shall have timely filed any of the items referred to in Section 7.1(c) with the SEC on EDGAR and shall have made such items available on its home page on the internet or on IntraLinks or on any other similar website to which each holder of Notes has free access;

*provided however,* that in no case shall access to such financial statements, other information and Officer's Certificates be conditioned upon any waiver or other agreement or consent (other than confidentiality provisions consistent with Section 20 of this Agreement); *provided further*, that in the case of any of clauses (b), (c) or (d), the Company shall have given each holder of a Note prior written notice, which may be by e-mail or in accordance with Section 18, of such posting or filing in connection with each delivery, *provided further,* that upon request of any holder to receive paper copies of such forms, financial statements, other information and Officer's Certificates or to receive them by e-mail, the Company will promptly e-mail them or deliver such paper copies, as the case may be, to such holder.

**SECTION 8.PREPAYMENT OF THE NOTES.**

**Section 8.1. Maturity.**

As provided therein, the entire unpaid principal balance of the Series I Notes, the Series J Notes, the Series K Notes, the Series L Notes and the Series M Notes shall be due and payable on the respective Maturity Dates thereof.

**Section 8.2. Optional Prepayments with Make-Whole Amount.**

The Company may, at its option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes in an aggregate principal amount of not less than U.S.$5,000,000 (in the case of a U.S. Dollar Note) or €5,000,000 (in the case of a Euro Note) in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* the Make-Whole Amount determined for the prepayment date with respect to such principal amount. The Company will give each holder of Notes written notice of each optional prepayment under this Section 8.2 not less than 30 days and not more than 60 days prior to the date fixed for such prepayment unless the Company and the Required Holders agree to another time period pursuant to Section 17. Each such notice shall specify such date (which shall be a Business Day), the aggregate principal amount of the Notes to be prepaid on such date, the principal amount of each Note held by such holder to be prepaid (determined in accordance with Section 8.3), and the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and shall be accompanied by a certificate of a Senior Financial Officer as to the estimated Make-Whole Amount due in connection with such prepayment (calculated as if the date of such notice were the date of the prepayment), setting forth the details of such computation. Two Business Days prior to such prepayment, the Company shall deliver to each holder of Notes a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the specified prepayment date.

**Section 8.3. Allocation of Partial Prepayments.**

In the case of each partial prepayment of the Notes pursuant to Section 8.2, the principal amount of the Notes to be prepaid shall be allocated among all of the Notes at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment.

**Section 8.4. Maturity; Surrender, Etc.**

In the case of each prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and payable on the date fixed for such prepayment, together with interest on such principal amount accrued to such date and the applicable Make-Whole Amount, if any, and in the case of any Swapped Notes, Net Loss, if any; provided that the amount to be paid may be subject to reduction pursuant to Section 8.7(a). From and after such date, unless the Company shall fail to pay such principal amount when so due and payable, together with the interest and Make-Whole Amount, if any, and Net Loss, if any, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be surrendered to the Company and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

**Section 8.5. Purchase of Notes.**

The Company will not, and will not permit any Affiliate to, purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except (a) upon the payment or prepayment of the Notes in accordance with this Agreement and the Notes or (b) pursuant to an offer to purchase made by the Company or an Affiliate pro rata to the holders of all Notes in accordance with the respective principal amounts thereof at the time outstanding upon the same terms and conditions. Any such offer shall provide each holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 20 Business Days. If the holders of more than 20% of the aggregate principal amount of the Notes then outstanding accept such offer, the Company shall promptly notify the remaining holders of such fact and the expiration date for the acceptance by holders of Notes of such offer shall be extended by the number of days necessary to give each such remaining holder at least five Business Days from its receipt of such notice to accept such offer. The Company will promptly cancel all Notes acquired by it or any Affiliate pursuant to any payment, prepayment or purchase of Notes pursuant to this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

**Section 8.6. Make-Whole Amount.**

( a ) Make-Whole Amount with respect to Non-Swapped Notes. The term **"Make-Whole Amount"** means, with respect to any Non-Swapped Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Non-Swapped Note over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

**"Called Principal"** means, with respect to any Non-Swapped Note, the principal of such Non-Swapped Note that is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

**"Discounted Value"** means, with respect to the Called Principal of any Non-Swapped Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on such Non-Swapped Note is payable) equal to the Reinvestment Yield with respect to such Called Principal.

**"Non-Swapped Note"** means any Note other than a Swapped Note.

**"Recognized German Bund Market Makers"** means two internationally recognized dealers of German Bunds reasonably selected by the holders of more than 50%

in principal amount of the Euro Notes at the time outstanding (exclusive of any Euro Notes then owed by the Company or any of its Affiliates).

**"Reinvestment Yield"** means

(a) with respect to the Called Principal of any Non-Swapped Note denominated in U.S. Dollars, the sum of (i) 0.50% (or in the case of determining the Make-Whole Amount in connection with a prepayment under Section 8.8, 1.00%) *plus* (ii) the yield to maturity implied by the "Ask Yield(s)" reported as of 10:00 A.M. (New York time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities (herein, "**Reported**") having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (1) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (2) interpolating linearly between the "Ask Yields" Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (A) closest to and greater than such Remaining Average Life and (B) closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Note.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then **"Reinvestment Yield"** means, with respect to the Called Principal of any Non-Swapped Note denominated in U.S. Dollars, the sum of (x) 0.50% (or in the case of determining the Make-Whole Amount in connection with a prepayment under Section 8.8, 1.00%) *plus* (y) the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (I) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (II) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Non-Swapped Note; and

(b) with respect to the Called Principal of any Non-Swapped Note denominated in Euros, the sum of (i) 0.50% (or in the case of determining the Make-Whole Amount in connection with a prepayment under Section 8.8, 1.00%) *plus* (ii) the yield to maturity implied by (1) the "Ask Yield(s)" reported, as of 10:00 A.M. (New York time) on the second

Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PXGE" on Bloomberg Financial Markets (or such other display as may replace "Page PXGE" on Bloomberg Financial Markets) for the benchmark German Bund having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date, or (2) if such yields are not reported as of such time or the yields reported are not ascertainable, the average of the "Ask Yields" as determined by Recognized German Bund Market Makers. Such implied yield will be determined, if necessary, by (A) converting quotations to bond-equivalent yields in accordance with accepted financial practice and (B) interpolating linearly between (x) the benchmark German Bund with the maturity closest to and greater than such Remaining Average Life and (y) the benchmark German Bund with the maturity closest to and less than such Remaining Average Life.

The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Non-Swapped Note.

**"Remaining Average Life"** means, with respect to the Called Principal of any Non-Swapped Note, the number of years obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years, computed on the basis of a 360-day year comprised of twelve 30-day months and calculated to two decimal places, that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

**"Remaining Scheduled Payments"** means, with respect to the Called Principal of any Non-Swapped Note, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under such Non-Swapped Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to Section 8.2, Section 8.8 or Section 12.1.

**"Settlement Date"** means, with respect to the Called Principal of any Non-Swapped Note, the date on which such Called Principal is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

(b) Make-Whole Amount with respect to Swapped Notes. The term "**Make Whole Amount**" means, with respect to any Swapped Note, an amount equal to the excess, if any, of the Swapped Note Discounted Value with respect to the Swapped Note Called Notional Amount related to such Swapped Note over such Swapped Note Called Notional Amount, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount with respect to any Swapped Note, the following terms have the following meanings:

"**New Swap Agreement**" means any cross-currency swap agreement pursuant to which the holder of a Swapped Note is to receive payment in U.S. Dollars and which is entered into in full or partial replacement of an Original Swap Agreement as a result of such Original Swap Agreement having terminated for any reason other than a non-scheduled prepayment or a repayment of such Swapped Note prior to its scheduled maturity. The terms of a New Swap Agreement with respect to any Swapped Note do not have to be identical to those of the Original Swap Agreement with respect to such Swapped Note.

"**Original Swap Agreement**" means, with respect to any Swapped Note, (i) a cross-currency swap agreement and annexes and schedules thereto (an "**Initial Swap Agreement**") that is entered into on an arm's length basis by the original purchaser of such Swapped Note (or any affiliate thereof) in connection with the execution of this Agreement and purchase of such Swapped Note and relates to the scheduled payments by the Company of interest and principal on such Swapped Note, under which the holder of such Swapped Note is to receive payments from the counterparty thereunder in U.S. Dollars and which is more particularly described on Schedule 8.6(b), (ii) any Initial Swap Agreement that has been assumed (without any waiver, amendment, deletion or replacement of any material economic term or provision thereof) by a holder of a Swapped Note in connection with a transfer of such Swapped Note and (iii) any Replacement Swap Agreement; and a "**Replacement Swap Agreement**" shall mean, with respect to any Swapped Note, a cross-currency swap agreement and annexes and schedules thereto with payment terms and provisions (other than a reduction in notional amount, if applicable) identical to those of the Initial Swap Agreement with respect to such Swapped Note that is entered into on an arm's length basis by the holder of such Swapped Note in full or partial replacement (by amendment, modification or otherwise) of such Initial Swap Agreement (or any subsequent Replacement Swap Agreement) in a notional amount not exceeding the outstanding principal amount of such Swapped Note following a non-scheduled prepayment or a repayment of such Swapped Note prior to its scheduled maturity. Any holder of a Swapped Note that enters into, assumes or terminates an Initial Swap Agreement or Replacement Swap Agreement shall within a reasonable period of time thereafter deliver to the Company a summary of the principal terms thereof.

"**Swap Agreement**" means, with respect to any Swapped Note, an Original Swap Agreement or a New Swap Agreement, as the case may be.

"**Swapped Note**" means any Note that as of the Closing Day is subject to a Swap Agreement. A "Swapped Note" shall no longer be deemed a "Swapped Note" at such time as the related Swap Agreement ceases to be in force in respect thereof.

"**Swapped Note Called Notional Amount**" means, with respect to any Swapped Note Called Principal of any Swapped Note, the payment in U.S. Dollars due to the holder of such Swapped Note under the terms of the Swap Agreement to which such holder is a party, attributable to and in exchange for such Swapped Note Called Principal and assuming that such Swapped Note Called Principal is paid on its scheduled maturity date, *provided* that if such Swap Agreement is not an Initial Swap Agreement, then the "Swapped Note

Called Notional Amount" in respect of such Swapped Note shall not exceed the amount in U.S. Dollars which would have been due to the holder of such Swapped Note under the terms of the Initial Swap Agreement to which such holder was a party (or if such holder was never party to an Initial Swap Agreement, then the last Initial Swap Agreement to which the most recent predecessor in interest to such holder as a holder of such Swapped Note was a party), attributable to and in exchange for such Swapped Note Called Principal and assuming that such Swapped Note Called Principal is paid on its scheduled maturity date.

"**Swapped Note Called Principal**" means, with respect to any Swapped Note, the principal of such Swapped Note that is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

"**Swapped Note Discounted Value**" means, with respect to the Swapped Note Called Notional Amount of any Swapped Note that is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires, the amount obtained by discounting all Swapped Note Remaining Scheduled Swap Payments corresponding to the Swapped Note Called Notional Amount of such Swapped Note from their respective scheduled due dates to the Swapped Note Settlement Date with respect to such Swapped Note Called Notional Amount, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on such Swapped Note is payable) equal to the Swapped Note Reinvestment Yield with respect to such Swapped Note Called Notional Amount.

"**Swapped Note Reinvestment Yield**" means, with respect to the Swapped Note Called Notional Amount of any Swapped Note, 0.50% (or in the case of determining the Make-Whole Amount in connection with a prepayment under Section 8.8, 1.00%) over the yield to maturity implied by the "Ask Yield(s)" reported, as of 10:00 A.M. (New York time) on the second Business Day preceding the Swapped Note Settlement Date with respect to such Swapped Note Called Notional Amount, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on the run U.S. Treasury securities (herein, "Reported") having a maturity equal to the Swapped Note Remaining Average Life of such Swapped Note Called Notional Amount as of such Swapped Note Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Swapped Note Remaining Average Life, then such implied yield to maturity will be determined by (i) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (ii) interpolating linearly between the ask yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Swapped Note Remaining Average Life and (2) closest to and less than such Swapped Note Remaining Average Life. The Swapped Note Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Swapped Note.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then "Swapped Note Reinvestment Yield" shall mean, with respect to the Swapped Note Called Notional Amount of any Swapped Note, 0.50% (or in the case of determining the Make-Whole Amount in connection with a prepayment under Section 8.8, 1.00%) over the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Swapped Note Settlement Date with respect to such Swapped Note Called Notional Amount, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Swapped Note Remaining Average Life of such Swapped Note Called Notional Amount as of such Swapped Note Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Swapped Note Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (A) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Swapped Note Remaining Average Life and (B) the U.S. Treasury constant maturity so reported with the term closest to and less than such Swapped Note Remaining Average Life. The Swapped Note Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Swapped Note.

"**Swapped Note Remaining Average Life**" means, with respect to any Swapped Note Called Notional Amount, the number of years obtained by dividing (i) such Swapped Note Called Notional Amount into (ii) the sum of the products obtained by multiplying (1) the principal component of each Swapped Note Remaining Scheduled Swap Payments with respect to such Swapped Note Called Notional Amount by (2) the number of years computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the Swapped Note Settlement Date with respect to such Swapped Note Called Notional Amount and the scheduled due date of such Swapped Note Remaining Scheduled Payments.

"**Swapped Note Remaining Scheduled Swap Payments**" means, with respect to the Swapped Note Called Notional Amount relating to any Swapped Note, the payments due to the holder of such Swapped Note in U.S. Dollars under the terms of the Swap Agreement to which such holder is a party which correspond to all payments of the Swapped Note Called Principal of such Swapped Note corresponding to such Swapped Note Called Notional Amount and interest on such Swapped Note Called Principal (other than that portion of the payment due under such Swap Agreement corresponding to the interest accrued on the Swapped Note Called Principal to the Swapped Note Settlement Date) that would be due after the Swapped Note Settlement Date in respect of such Swapped Note Called Notional Amount assuming that no payment of such Swapped Note Called Principal is made prior to its originally scheduled payment date, *provided* that if such Swapped Note Settlement Date is not a date on which an interest payment is due to be made under the terms of such Swapped Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Swapped Note Settlement Date and required to be paid on such Swapped Note Settlement Date pursuant to Section 8.2, Section 8.8 or Section 12.1.

"**Swapped Note Settlement Date**" means, with respect to the Swapped Note Called Notional Amount of any Swapped Note Called Principal of any Swapped Note, the date on which such Swapped Note Called Principal is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

(c) Make-Whole Amount Currency of Payment. All payments of Make-Whole Amount in respect of (1) any Non-Swapped Note that is denominated in Euros, shall be made in Euros, and (2) any Non-Swapped Note that is denominated in U.S. Dollars or any Swapped Note, shall be made in U.S. Dollars.

**Section 8.7. Swap Breakage.**

(a) If any Swapped Note is prepaid pursuant to Section 8.2, Section 8.8 or Section 8.9, or has become or is declared to be immediately due and payable pursuant to Section 12.1, then (i) any resulting Net Loss in connection therewith shall be reimbursed to the holder of such Swapped Note by the Company in U.S. Dollars upon any such prepayment or repayment of such Swapped Note and (ii) any resulting Net Gain in connection therewith shall be deducted (1) from the Make-Whole Amount, if any, or any principal or interest to be paid to the holder of such Swapped Note by the Company upon any such prepayment of such Swapped Note pursuant to Section 8.2, Section 8.8 or Section 8.9 or (2) from the Make-Whole Amount, if any, to be paid to the holder of such Swapped Note by the Company upon any such repayment of such Swapped Note pursuant to Section 12.1, *provided* that, in either case, the Make-Whole Amount in respect of such Swapped Note may in no event be less than zero. Each holder of a Swapped Note shall be responsible for calculating its own Net Loss or Net Gain, as the case may be, and Swap Breakage Amount in U.S. Dollars upon the prepayment or repayment of all or any portion of such Swapped Note, and such calculations as reported to the Company in reasonable detail shall be binding on the Company absent demonstrable error.

(b) As used in this Section 8.7 with respect to any Swapped Note that is prepaid or accelerated: "**Net Loss**" means the amount, if any, by which the sum of the Swapped Note Called Notional Amount and the Swapped Note Called Notional Accrued Interest Amount exceeds the sum of (i) the sum of the Swapped Note Called Principal and the Swapped Note Called Accrued Interest Amount *plus* (or *minus* in the case of an amount paid) (ii) the Swap Breakage Amount received (or paid) by the holder of such Swapped Note; and "**Net Gain**" means the amount, if any, by which the sum of Swapped Note Called Notional Amount and the Swapped Note Called Notional Accrued Interest Amount is exceeded by the sum of (1) the sum of the Swapped Note Called Principal and the Swapped Note Called Accrued Interest Amount *plus* (or *minus* in the case of an amount paid) (2) the Swap Breakage Amount received (or paid) by such holder. For purposes of any determination of any "Net Loss" or "Net Gain," the Swapped Note Called Principal and the Swapped Note Called Accrued Interest Amount shall be determined by the holder of the affected Swapped Note by converting Euros (in the case of any Swapped Note that is denominated in Euros) into U.S. Dollars at the current Euro/U.S. Dollar exchange rate, as determined as of 10:00

A.M. (New York time) on the day such Swapped Note is prepaid or accelerated as indicated on the applicable screen of Bloomberg Financial Markets and any such calculation shall be reported to the Company in reasonable detail and shall be binding on the Company absent demonstrable error.

"**Swapped Note Called Accrued Interest Amount**" means, with respect to a Swapped Note, the accrued interest of such Swapped Note to the Swapped Note Settlement Date that is to be prepaid or has become immediately due and payable, as the context requires.

"**Swapped Note Called Notional Accrued Interest Amount**" means, with respect to any Swapped Note Called Notional Amount, the payment due in Dollars to the holder of the related Swapped Note under the terms of the Swap Agreement to which such holder is a party attributable to and in exchange for the Swapped Note Called Accrued Interest Amount.

(c) As used in this Section 8.7, "Swap Breakage Amount" means, with respect to the Swap Agreement associated with any Swapped Note, in determining the Net Loss or Net Gain, the amount that would be received (in which case the Swap Breakage Amount shall be positive) or paid (in which case the Swap Breakage Amount shall be negative) by the holder of such Swapped Note as if such Swap Agreement had terminated due to the occurrence of an event of default or an early termination under the ISDA 1992 Multi-Currency Cross Border Master Agreement or ISDA 2002 Master Agreement, as applicable (the "**ISDA Master Agreement**"); *provided*, *however*, that if such holder (or its predecessor in interest with respect to such Swapped Note) was, but is not at the time, a party to an Original Swap Agreement but is a party to a New Swap Agreement, then the Swap Breakage Amount shall mean the lesser of (i) the gain or loss (if any) which would have been received or incurred (by payment, through off-set or netting or otherwise) by the holder of such Swapped Note under the terms of the Original Swap Agreement (if any) in respect of such Swapped Note to which such holder (or any affiliate thereof) was a party (or if such holder was never a party to an Original Swap Agreement, then the last Original Swap Agreement to which the most recent predecessor in interest to such holder as a holder of a Swapped Note was a party) and which would have arisen as a result of the payment of the Swapped Note Called Principal on the Swapped Note Settlement Date and (ii) the gain or loss (if any) actually received or incurred by the holder of such Swapped Note, in connection with the payment of such Swapped Note Called Principal on the Swapped Note Settlement Date, under the terms of the New Swap Agreement to which such holder (or any affiliate thereof) is a party. The holder of such Swapped Note will make all calculations related to the Swap Breakage Amount in good faith and in accordance with its customary practices for calculating such amounts under the ISDA Master Agreement pursuant to which such Swap Agreement shall have been entered into and assuming for the purpose of such calculation that there are no other transactions entered into pursuant to such ISDA Master Agreement (other than such Swap Agreement).

(d) The Swap Breakage Amount shall be payable in U.S. Dollars.

**Section 8.8. Offer to Prepay Notes Upon Certain Asset Sales.**

(a) Notice of Significant Asset Sale Event. The Company will, within 10 Business Days after the occurrence of a Significant Asset Sale Event, give an Asset Sale Notice to each holder of Notes specifying, among other things, whether the Excess Proceeds attributable to such Significant Asset Sale Event will be applied to either or both (in the case of both, specifying the relevant amounts to be applied to each application) a Property Reinvestment Application or to a prepayment of the Notes as provided in this Section 8.8. If such notice specifies application of all or a part of such Excess Proceeds to a Property Reinvestment Application, then the Company shall be obligated so to apply such amount of Excess Proceeds within 180 days after the occurrence of the Significant Asset Sale Event; *provided* that, at any time during such period, the Company may apply such amount of Excess Proceeds to a prepayment of the Notes as provided in this Section 8.8 in lieu of a Property Reinvestment Application, *provided*, *further*, that the failure to apply such amount of Excess Proceeds to either a Property Reinvestment Application or to the prepayment of the Notes prior to the expiration of such period shall constitute an Event of Default. Until such time as the entire amount reserved for a Property Reinvestment Application has been applied as provided in the preceding sentence, the Company shall apply the entire amount of Excess Proceeds arising from any subsequent Significant Asset Sale Event to the prepayment of the Notes as provided in this Section 8.8. If the notice referred to in the first sentence of this Section 8.8(a) shall specify a prepayment of the Notes, such notice shall contain and constitute an offer to prepay Notes as described in paragraph (b) of this Section 8.8 and shall be accompanied by the certificate described in paragraph (e) of this Section 8.8.

(b) Offer to Prepay Notes. The offer to prepay Notes contemplated by paragraph (a) of this Section 8.8 shall be an offer to prepay, in accordance with and subject to this Section 8.8, all or a portion of the Notes held by each holder (in this case only, "holder" in respect of any Note registered in the name of a nominee for a disclosed beneficial owner shall mean such beneficial owner) on a date specified in such offer (the "**Proposed Prepayment Date**") that is a Business Day not less than 30 days and not more than 60 days after the date of such offer (if the Proposed Prepayment Date shall not be specified in such offer, the Proposed Prepayment Date shall be the Business Day nearest to the 30th day after the date of such offer). The offer to prepay Notes under this paragraph (b) shall be made *pro rata* to each holder of Notes (based on the aggregate principal amount of the Notes held by each such holder) in an aggregate amount equal to the Excess Proceeds (as defined below).

(c) Acceptance; Rejection. A holder of Notes may accept the offer to prepay made pursuant to this Section 8.8 by causing a notice of such acceptance to be delivered to the Company not more than 10 Business Days after receipt of the offer to prepay the Notes pursuant to this Section 8.8. A failure by a holder of Notes to respond to an offer to prepay made pursuant to this Section 8.8 shall be deemed to constitute a rejection of such offer by such holder.

(d) Prepayment. Prepayment of the Notes to be prepaid pursuant to this Section 8.8 shall be at 100% of the principal amount of such Notes, *plus* the Make-Whole Amount

determined for the date of prepayment with respect to such principal amount. The prepayment shall be made on the Proposed Prepayment Date.

(e) Officer's Certificate. Each offer to prepay the Notes pursuant to this Section 8.8 shall be accompanied by a certificate, executed by a Senior Financial Officer of the Company and dated the date of such offer, specifying: (i) the Proposed Prepayment Date; (ii) that such offer is made pursuant to this Section 8.8; (iii) the principal amount of each Note offered to be prepaid; (iv) the estimated Make-Whole Amount due in connection with such prepayment of Notes (calculated as if the date of such notice were the date of prepayment); (v) the interest that would be due on each Note offered to be prepaid, accrued to the Proposed Prepayment Date; (vi) that the conditions of this Section 8.8 have been fulfilled; and (vii) in reasonable detail, the nature and date of the Significant Asset Sale Event. Two Business Days prior to such prepayment, the Company shall deliver to each holder of Notes a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the specified prepayment date.

(f) "Significant Asset Sale Event" and "Excess Proceeds" Defined.

(i) "**Significant Asset Sale Event**" means any sale, lease or other disposition of assets (including the sale of stock or other equity interests in its Subsidiaries) (sometimes hereinafter referred to, except for Excluded Sales, as an "**Asset Disposition**") of the Company and its Subsidiaries in which the book value of such assets, when added to the book value of all other assets sold, leased or otherwise disposed of by the Company and its Subsidiaries during any period of 365 consecutive days, exceeds 20% of the book value of Consolidated Total Assets, determined as of the end of the fiscal quarter immediately preceding such Asset Disposition (the "**Threshold Amount**"); *provided* that each of the following transactions shall be excluded from any determination of a Significant Asset Sale Event (collectively, the "**Excluded Sales**"): (1) the sale, lease or other disposition of assets in the ordinary course of business of the Company and its Subsidiaries, (2) Excluded Sale and Leaseback Transactions, (3) any transfer of assets from the Company to any Subsidiary or from any Subsidiary to the Company or another Subsidiary, and (4) Receivables and related assets sold in connection with Securitization Transactions.

(ii) "**Excess Proceeds**" shall mean the aggregate Net Proceeds attributable to the amount by which (1) the book value of all assets sold, leased or otherwise disposed of by the Company and its Subsidiaries during any period of 365 consecutive days (excluding all Excluded Sales) exceeds (2) the Threshold Amount. The aggregate Net Proceeds so attributable in any such period shall be equal to zero until the book value of all assets subject to an Asset Disposition during such period shall equal the Threshold Amount and shall be equal to 100% of the Net Proceeds received in respect of all Asset Dispositions consummated thereafter during such period, *provided*, *however*, that the Net Proceeds attributable to any Asset Disposition which causes the Threshold Amount to be exceeded for the first time in any such

period shall be deemed to have been allocated ratably to the portion of such book value necessary to reach the Threshold Amount and the portion of such book value in excess thereof, and the latter (but not the former) shall constitute a portion of Excess Proceeds.

**Section 8.9. Offer to Prepay Notes Upon Change in Control.**

(a) Notice of Change in Control or Control Event. The Company will, within five Business Days after any Responsible Officer has knowledge of the occurrence of any Change in Control or Control Event, give written notice of such Change in Control or Control Event to each holder of Notes unless notice in respect of such Change in Control (or the Change in Control contemplated by such Control Event) shall have been given pursuant to paragraph (b) of this Section 8.9. If a Change in Control has occurred, such notice shall contain and constitute an offer to prepay the Notes as described in paragraph (c) of this Section 8.9 and shall be accompanied by the certificate described in paragraph (g) of this Section 8.9.

(b) Condition to Company Action. The Company will not take any action that consummates or finalizes a Change in Control unless (i) at least 15 Business Days prior to such action it shall have given to each holder of Notes written notice containing and constituting an offer to prepay Notes as described in paragraph (c) of this Section 8.9, accompanied by the certificate described in paragraph (g) of this Section 8.9, and (ii) subject to the provisions of paragraph (d) below, contemporaneously with such action, it prepays all Notes required to be prepaid in accordance with this Section 8.9.

(c) Offer to Prepay Notes. The offer to prepay Notes contemplated by paragraphs (a) and (b) of this Section 8.9 shall be an offer to prepay, in accordance with and subject to this Section 8.9, all, but not less than all, of the Notes held by each holder on the Business Day specified in such offer (the "**Change in Control Prepayment Date**"). If such Change in Control Prepayment Date is in connection with an offer contemplated by paragraph (a) of this Section 8.9, such date shall be a Business Day not less than 30 days and not more than 60 days after the date of such offer.

(d) Acceptance; Rejection. A holder of Notes may accept or reject the offer to prepay made pursuant to this Section 8.9 by causing a notice of such acceptance or rejection to be delivered to the Company on or before the date specified in the certificate described in paragraph (g) of this Section 8.9. A failure by a holder of Notes to respond to an offer to prepay made pursuant to this Section 8.9, or to accept an offer as to all of the Notes held by the holder, within such time period shall be deemed to constitute a rejection of such offer by such holder.

(e) Prepayment. Prepayment of the Notes to be prepaid pursuant to this Section 8.9 shall be at 100% of the outstanding principal amount of such Notes and shall not require the payment of any Make-Whole Amount or prepayment premium. The prepayment shall be made on the Change in Control Prepayment Date except as provided in paragraph (f) of this Section 8.9.

(f) Deferral Pending Change in Control. The obligation of the Company to prepay Notes pursuant to the offers required by paragraphs (a) and (b) and accepted in accordance with paragraph (d) of this Section 8.9 is subject to the occurrence of the Change in Control in respect of which such offers and acceptances shall have been made. In the event that such Change in Control does not occur on or prior to the Change in Control Prepayment Date in respect thereof, the prepayment shall be deferred until and shall be made on the date on which such Change in Control occurs; *provided* that no such deferral shall be longer than 60 days. The Company shall keep each holder of Notes reasonably and timely informed of (i) any such deferral of the date of prepayment, (ii) the date on which such Change in Control and the prepayment are expected to occur, and (iii) any determination by the Company that efforts to effect such Change in Control have ceased or been abandoned (in which case the offers and acceptances made pursuant to this Section 8.9 in respect of such Change in Control shall be deemed rescinded). If any such deferral shall be longer than 60 days, the offers and acceptances made pursuant to this Section 8.9 in respect of such Change in Control shall be deemed rescinded and the Company shall again give the notice and take the other actions required by this Section 8.9 as if it had first obtained knowledge of the Change in Control on such 60th day.

(g) Officer's Certificate. Each offer to prepay the Notes pursuant to this Section 8.9 shall be accompanied by a certificate, executed by a Senior Financial Officer and dated the date of such offer, specifying: (i) the Change in Control Prepayment Date, (ii) that such offer is made pursuant to this Section 8.9, (iii) the principal amount of each Note offered to be prepaid, (iv) the interest that would be due on each Note offered to be prepaid, accrued to the Change in Control Prepayment Date, (v) that the conditions of this Section 8.9 have been fulfilled, (vi) in reasonable detail, the nature and date or proposed date of the Change in Control and (vii) the date by which any holder of a Note that wishes to accept or reject such offer must deliver notice thereof to the Company, which date shall not be earlier than five Business Days prior to the Change in Control Prepayment Date or, in the case of a prepayment pursuant to Section 8.9(b), the date of the action referred to in Section 8.9(b)(i).

(h) Change in Control Defined. "**Change in Control**" means and be deemed to occur on the earliest of, and upon any occurrence of, any of the following:

(i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), shall become the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) of more than 35% of the total capital stock of the Company entitled to vote for the election of directors; or

(ii) at any time during any consecutive two-year period, individuals who at the beginning of such period constituted the board of directors of the Company (together with any new directors whose election by such board of directors or whose nomination for election by the stockholders of the Company was approved by a vote of 51% of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so

approved) cease for any reason to constitute a majority of the board of directors of the Company then in office.

(i) Control Event Defined. "**Control Event**" means the execution by the Company of a definitive written agreement that, when fully performed by the parties thereto, would result in a Change in Control.

**SECTION 9.AFFIRMATIVE COVENANTS.**

So long as any of the Notes are outstanding, the Company covenants as follows:

**Section 9.1. Compliance with Law.**

Without limiting Section 10.5, the Company will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject (including ERISA, Environmental Laws, the USA PATRIOT Act and the other laws and regulations that are referred to in Section 5.16) and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

**Section 9.2. Insurance.**

The Company will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated.

**Section 9.3. Maintenance of Properties.**

The Company will, and will cause each of its Subsidiaries to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, *provided* that this Section shall not prevent the Company or any Subsidiary from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and the Company has concluded that such discontinuance would not, individually or in the aggregate, have a Material Adverse Effect.

**Section 9.4. Payment of Taxes.**

The Company will, and will cause each of its Subsidiaries to, file all tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such

returns and all other taxes, assessments, governmental charges, or levies payable by any of them, to the extent the same have become due and payable and before they have become delinquent, *provided* that neither the Company nor any Subsidiary need pay any such tax, assessment, charge or levy if (a) the amount, applicability or validity thereof is contested by the Company or such Subsidiary on a timely basis in good faith and in appropriate proceedings, and the Company or a Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of the Company or such Subsidiary or (b) the nonpayment of all such taxes, assessments, charges and levies, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

**Section 9.5. Corporate Existence, Etc.**

Except for sales, leases and other dispositions of assets of the Company and its Subsidiaries effected in compliance with Section 8.8, and subject to Section 10.3, the Company will at all times preserve and keep in full force and effect its corporate existence, and will preserve and keep in full force and effect the corporate existence of each of its Subsidiaries (unless merged into the Company or a Subsidiary) and all rights and franchises of the Company and its Subsidiaries unless, in the good faith judgment of the Company, the termination of or failure to preserve and keep in full force and effect such corporate existence, right or franchise would not, individually or in the aggregate, have a Material Adverse Effect.

**Section 9.6. Guaranty by Subsidiaries.**

(a) If at any time, pursuant to the terms and conditions of any Principal Credit Facility, any existing or newly acquired or formed Subsidiary of the Company becomes obligated as a guarantor or obligor under such Principal Credit Facility, the Company will, at its sole cost and expense, cause such Subsidiary to, prior to or concurrently therewith, become a Guarantor in respect of this Agreement and the Notes and deliver to each of the holders of the Notes the following items:

(i) an executed guaranty agreement in the form of Exhibit 9.6 (a "**Guaranty Agreement**");

(ii) such documents and evidence with respect to such Subsidiary as the Required Holders may reasonably request in order to establish the existence and good standing of such Subsidiary and the authorization of the transactions contemplated by such Guaranty Agreement;

(iii) a favorable opinion of counsel to such Subsidiary in form, scope and substance reasonably satisfactory to the Required Holders; and

(iv) such other certificates, resolutions, opinions, documents and instruments as may be reasonably requested by the Required Holders to give effect to the undertaking of such Subsidiary becoming a Guarantor.

(b) If at any time, (i) pursuant to the terms and conditions of each Principal Credit Facility, any Guarantor is discharged and released from its Guaranty of Indebtedness under each Principal Credit Facility, (ii) such Guarantor is not a co-obligor under any Principal Credit Facility and (iii) the Company will have delivered to each holder of Notes an Officer's Certificate certifying that (x) the conditions specified in clauses (i) and (ii) above have been satisfied and (y) immediately preceding the release of such Guarantor from its Guaranty Agreement and after giving effect thereto, no Default or Event of Default will have existed or would exist, then, upon receipt by the holders of Notes of such Officer's Certificate, such Guarantor will be discharged and released, automatically and without the need for any further action, from its obligations under its Guaranty Agreement; *provided* that, if in connection with any release of a Guarantor from its Guaranty of Indebtedness under any Principal Credit Facility any fee or other consideration (excluding, for the avoidance of doubt, any repayment of the principal or interest under such Principal Credit Facility in connection with such release) is paid or given to any holder of Indebtedness under such Principal Credit Facility in connection with such release, each holder of a Note shall receive equivalent consideration on a pro rata basis (determined, in respect of revolving credit facilities, based upon the commitment in effect thereunder rather than amounts outstanding thereunder) in connection with such Guarantor's release from its Guaranty Agreement. Without limiting the foregoing, for purposes of further assurance, each of the holders of the Notes agrees to provide to the Company and such Guarantor, if reasonably requested by the Company or such Guarantor and at the Company's expense, written evidence of such discharge and release signed by such holder.

Anything in this Section 9.6 to the contrary notwithstanding, a Foreign Subsidiary that is an obligor under a Principal Credit Facility shall be deemed not to be an obligor under such Principal Credit Facility for purposes of this Section 9.6 if such Subsidiary shall have no obligations under such Principal Credit Facility (or any other agreement or instrument relating thereto) for the repayment of any Indebtedness of the Company or any other Subsidiary outstanding thereunder (whether upon default by any party to such Principal Credit Facility or otherwise) other than Indebtedness of another Foreign Subsidiary which Subsidiary also satisfies the conditions of this sentence.

**Section 9.7. Books and Records.**

The Company will, and will cause each of its Subsidiaries to, keep, proper books of record and account, containing complete and accurate entries of all their respective financial and business transactions which are required to be maintained in order to prepare the consolidated financial statements of the Company in conformity with GAAP.

**Section 9.8. Excess Leverage Fee.**

Without limiting the Company's obligations under Section 10.1, in the event the Company provides a Notice of Increase in Leverage Ratio, the Company agrees that, in addition to interest accruing on the Notes, the Company will pay to each holder of a Note a fee (computed on the same basis and payable at the same time as such interest) at a rate per annum equal to 0.25% (each such fee, an "**Excess Leverage Fee**") on the outstanding principal amount of each Note held by such

holder during the period beginning on the first day of the fiscal quarter immediately succeeding the fiscal quarter in which the Material Acquisition described in such Notice of Increase in Leverage Ratio occurs and ending on the last day of the fiscal quarter immediately following the last fiscal quarter for which the Company elected to increase the Maximum Leverage Ratio pursuant to such Notice of Increase in Leverage Ratio. The accrued and unpaid Excess Leverage Fee on any principal amount being paid or prepaid shall be paid concurrently with such principal. Any overdue payment of an Excess Leverage Fee shall accrue interest at a rate per annum from time to time equal to the Default Rate applicable to the applicable Note, payable in arrears at the same time accrued interest is paid on such Note (or, at the option of the registered holder thereof, on demand).

The Company will pay the Excess Leverage Fee by separate wire transfer in U.S. Dollars with respect to (a) each Non-Swapped Note and (b) each Swapped Note the holder of which has so elected, by written notice to the Company (by noting such election in its Schedule B hereto or otherwise providing written notice to the Company), to receive the Excess Leverage Fee in U.S. Dollars, and the Company will pay the Excess Leverage Fee by separate wire transfer in Euro to all other holders of Swapped Notes. For purposes of calculating the amount of any Excess Leverage Fee with respect to any Swapped Note that is payable in U.S. Dollars, the amount of the Excess Leverage Fee at the time of such determination shall be converted from Euro into U.S. Dollars at the current Euro/U.S. Dollar exchange rate, as determined as of 10:00 A.M. (New York time) one Business Day prior to the day such Excess Leverage Fee is payable as indicated on the applicable screen of Bloomberg Financial Markets, and any such calculation shall be reported to the Company in reasonable detail and shall be binding on the Company absent demonstrable error.

For the avoidance of doubt, payment of the Excess Leverage Fee shall be deemed to constitute a fee for all purposes.

**SECTION 10.NEGATIVE COVENANTS.**

So long as any of the Notes are outstanding, the Company covenants as follows:

**Section 10.1. Leverage Ratio; Most Favored Lender.**

(a) Leverage Ratio. The Company will not as of the last day of any fiscal quarter permit the Leverage Ratio to exceed 3.50 to 1.00 (the **"Maximum Leverage Ratio"**); *provided* that, upon receipt by the holders of the Notes of a Notice of Increase in Leverage Ratio, the Maximum Leverage Ratio shall be increased to 3.75 to 1.00 commencing on the last day of the fiscal quarter in which the Material Acquisition described in such Notice of Increase in Leverage Ratio occurs and continuing for the three consecutive fiscal quarters (or such fewer consecutive fiscal quarters as set forth in such Notice of Increase in Leverage Ratio) immediately following the conclusion of the fiscal quarter in which such Material Acquisition occurs (a "**Leverage Spike Period**"); *provided* that (i) the Company may not elect more than four Leverage Spike Periods during the term of this Agreement and (ii) there must be at least one full fiscal quarter between the end of a Leverage Spike Period and the start of another Leverage Spike Period. **"Notice of Increase in Leverage Ratio"** means a notice, signed by a Senior Financial Officer of the Company, which states (1) that the Company or a Subsidiary has completed a Material Acquisition, (2) the date of the occurrence

of such Material Acquisition, (3) the aggregate consideration paid and/or contributed in such Material Acquisition and (4) that by such notice the Company has elected to increase the Maximum Leverage Ratio to 3.75 to 1.00 commencing on the last day of the fiscal quarter in which such Material Acquisition occurred and for each of the one, two or three fiscal quarters immediately following such fiscal quarter.

(b) Most Favored Lender. If on the date that is 90 days after the date of the Closing (the "**Incorporation Date**") any of the Series F Note Purchase Agreement, the Series G Note Purchase Agreement or the Series H Note Purchase Agreement (each an "**Existing Note Purchase Agreement**") includes the financial maintenance covenant set forth in Section 10.2 of such Existing Note Purchase Agreement as of the date of the Closing or includes or has incorporated therein any other fixed charge coverage ratio financial maintenance covenant (the "**Existing NPA Financial Covenant**"), then (i) on such date the Existing NPA Financial Covenant and, solely for purposes of determining compliance with the Existing NPA Financial Covenant as incorporated herein, the definitions set forth in such Existing Note Purchase Agreement (the "**Existing NPA Definitions**"), are incorporated herein by reference with the same effect as if stated at length herein, (ii) the Existing NPA Definitions, and not the definitions stated in this Agreement, shall be applicable for purposes of determining compliance with the Existing NPA Financial Covenant, (iii) except as provided in the immediately succeeding clause (iv), any amendment or other modification to, or waiver of, any such Existing Note Purchase Agreement shall not be effective to amend, modify or waive the Existing NPA Financial Covenant and Existing NPA Definitions as incorporated herein except to the extent such amendment, modification or waiver has been approved by the Required Holders and (iv) if at any time after the Incorporation Date all of the Existing Note Agreements cease to include the Existing NPA Financial Covenant, then at such time this Agreement shall be deemed amended to terminate the incorporation of the Existing NPA Financial Covenant and this Section 10.1(b) shall be deemed amended to read "[Reserved]" in each case without the consent of or any action by any holder of a Note.

**Section 10.2. Priority Debt.**

The Company will not at any time permit Priority Debt to exceed 20% of Consolidated Net Worth. Notwithstanding the foregoing, the Company will not, and will not permit any Subsidiary to, create, incur, assume or suffer to exist any Lien on any property securing Indebtedness outstanding or issued under any Principal Credit Facility (or any Guaranty executed in connection therewith), unless and until the Notes (and any Guaranty executed in connection therewith) shall be concurrently secured with such property equally and ratably with such Indebtedness pursuant to documentation in form and substance reasonably acceptable to the Required Holders.

**Section 10.3. Merger, Consolidation, Etc.**

The Company will not consolidate with or merge with any other Person or convey, transfer or lease all or substantially all of its assets in a single transaction or series of transactions to any Person unless:

(a) the successor formed by such consolidation or the survivor of such merger or the Person that acquires by conveyance, transfer or lease all or substantially all of the assets of the Company as an entirety, as the case may be, shall be a solvent corporation or limited liability company organized and existing under the laws of the United States or any State thereof (including the District of Columbia), and, if the Company is not such corporation or limited liability company, (i) such corporation or limited liability company shall have executed and delivered to each holder of any Notes its assumption of the due and punctual performance and observance of each covenant and condition of this Agreement and the Notes and (ii) such corporation or limited liability company shall have caused to be delivered to each holder of any Notes an opinion of nationally recognized independent counsel, or other independent counsel reasonably satisfactory to the Required Holders, to the effect that all agreements or instruments effecting such assumption are enforceable in accordance with their terms and comply with the terms hereof;

(b) each Guarantor under any Guaranty Agreement that is outstanding at the time such transaction or each transaction in such a series of transactions occurs reaffirms its obligations under such Guaranty Agreement in writing at such time pursuant to documentation that is reasonably acceptable to the Required Holders; and

(c) immediately after giving effect to such transaction (i) no Default or Event of Default shall have occurred and be continuing and (ii) the Company shall be in compliance with Section 10.1 determined on a Pro Forma Basis;

*provided* that, for purposes of determining (i) whether a Default or Event of Default has occurred or (ii) compliance with Section 10.1, in each case in connection with a Limited Condition Transaction, at the option of the Company (the Company's election to exercise such option in connection with any Limited Condition Transaction, an "**LCT Election**"), the date of determination of whether a Default or Event of Default exists or compliance with Section 10.1 shall be deemed to be the date the definitive agreements for such Limited Condition Transaction are entered into (the "**LCT Test Date**"), and if, after giving pro forma effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any incurrence of Indebtedness and the use of the proceeds thereof) as if they had occurred at the beginning of the most recent test period ending prior to the LCT Test Date, the Company could have taken such action on the relevant LCT Test Date in compliance with this Section 10.3, this Section 10.3 shall be deemed to have been complied with and, for the avoidance of doubt, if the Company has exercised the LCT Election and any Default or Event of Default or non-compliance with Section 10.1 occurs following the LCT Test Date and prior to the consummation of such Limited Condition Transaction, any such Default, Event of Default or non-compliance with Section 10.1 shall be deemed to not have occurred or be continuing solely for purposes of determining whether any action being taken in connection with such Limited Condition Transaction is permitted under this Section 10.3. If the Company makes an LCT Election, then in connection with any calculation of the ratio in Section 10.1 with respect to any transaction following the relevant LCT Test Date and prior to the earlier of the date on which such Limited Condition Transaction is consummated or the date that the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction, for purposes of determining whether such

subsequent transaction is permitted under this Agreement, such ratio shall be required to be satisfied on a pro forma basis (1) assuming that such Limited Condition Transaction and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated and (2) assuming that such Limited Condition Transaction and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have not been consummated.

No such conveyance, transfer or lease of all or substantially all of the assets of the Company shall have the effect of releasing the Company or any successor corporation or limited liability company that shall theretofore have become such in the manner prescribed in this Section from its liability under this Agreement or the Notes.

**Section 10.4. Transactions with Affiliates.**

The Company will not, and will not permit any Subsidiary to, enter into directly or indirectly any Material transaction or Material group of related transactions (including the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than the Company or another Subsidiary), except pursuant to the reasonable requirements of the Company's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Company or such Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate.

**Section 10.5. Economic Sanctions, Etc.**

The Company will not, and will not permit any Controlled Entity to, (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (i) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (ii) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

**SECTION 11.EVENTS OF DEFAULT.**

An "**Event of Default**" shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Company defaults in the payment of any principal or Make-Whole Amount, if any, on any Note, or any Net Loss on any Swapped Note, when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Company defaults in the payment of any interest or any Excess Leverage Fee, if any, on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Company defaults in the performance of or compliance with any term contained in Section 7.1(d) or Sections 10.1 through 10.4; or

(d) the Company or any Guarantor defaults in the performance of or compliance with any term contained herein (other than those referred to in paragraphs (a), (b) and (c) of this Section 11 or in any Guaranty Agreement) and such default is not remedied within 30 days after the earlier of (i) a Responsible Officer obtaining actual knowledge of such default and (ii) the Company receiving written notice of such default from any holder of a Note (any such written notice to be identified as a "notice of default" and to refer specifically to this paragraph (d) of Section 11); or

(e) (i) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in this Agreement or in any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any material respect on the date as of which made, or (ii) any representation or warranty made in writing by or on behalf of any Guarantor or by any officer of such Guarantor in any Guaranty Agreement or any writing furnished in connection with such Guaranty Agreement proves to have been false or incorrect in any material respect on the date as of which made; or

(f) (i) the Company or any Significant Subsidiary is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least U.S.$75,000,000 (or its equivalent in the relevant currency of payment) beyond any period of grace provided with respect thereto, or (ii) the Company or any Significant Subsidiary is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least U.S.$150,000,000 (or its equivalent in the relevant currency of payment) or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been declared due and payable before its stated maturity or before its regularly scheduled dates of payment; or

(g) the Company or any Significant Subsidiary (i) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (v) is adjudicated as insolvent or to be liquidated, or (vi) takes corporate action for the purpose of any of the foregoing; or

(h) a court or other Governmental Authority of competent jurisdiction enters an order appointing, without consent by the Company or any of its Significant Subsidiaries, a custodian, receiver, trustee or other officer with similar powers with respect to it or with

respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Company or any of its Significant Subsidiaries, or any such petition shall be filed against the Company or any of its Significant Subsidiaries and such petition shall not be dismissed within 60 days; or

(i) one or more final judgments or orders for the payment of money aggregating in excess of U.S.$150,000,000 (or its equivalent in the relevant currency of payment), including any such final order enforcing a binding arbitration decision, are rendered against one or more of the Company and its Significant Subsidiaries and which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(j) if (i) any Plan shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code, (ii) a notice of intent to terminate any Plan shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Company or any ERISA Affiliate that a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, together with the aggregate present value of accrued benefit liabilities under all funded Non-U.S. Plans shall exceed U.S.$50,000,000 (or its equivalent in the relevant currency of payment), (iv) the Company or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (v) the Company or any ERISA Affiliate withdraws from any Multiemployer Plan, (vi) the Company or any Subsidiary establishes or amends any employee welfare benefit plan that provides post-employment welfare benefits in a manner that would increase the liability of the Company or any Subsidiary thereunder, (vii) the Company or any Subsidiary fails to administer or maintain a Non-U.S. Plan in compliance with the requirements of any and all applicable laws, statutes, rules, regulations or court orders or any Non-U.S. Plan is involuntarily terminated or wound up, or (viii) the Company or any Subsidiary becomes subject to the imposition of a financial penalty (which for this purpose shall mean any tax, penalty or other liability, whether by way of indemnity or otherwise) with respect to one or more Non-U.S. Plans; and any such event or events described in clauses (i) through (viii) above, either individually or together with any other such event or events, would reasonably be expected to have a Material Adverse Effect; or

(k) any Guaranty Agreement shall cease to be in full force and effect, any Guarantor or any Person acting on behalf of any Guarantor shall contest in any manner the validity, binding nature or enforceability of any Guaranty Agreement, or the obligations of

any Guarantor under any Guaranty Agreement are not or cease to be legal, valid, binding and enforceable in accordance with the terms of such Guaranty Agreement.

As used in Section 11(j), the terms "**employee benefit plan**" and "**employee welfare benefit plan**" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

**SECTION 12.REMEDIES ON DEFAULT, ETC.**

**Section 12.1. Acceleration.**

(a) If an Event of Default with respect to the Company described in paragraph (g) or (h) of Section 11 (other than an Event of Default described in clause (i) of paragraph (g) or described in clause (vi) of paragraph (g) by virtue of the fact that such clause encompasses clause (i) of paragraph (g)) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any other Event of Default has occurred and is continuing, the Required Holders may at any time at its or their option, by notice or notices to the Company, declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in paragraph (a) or (b) of Section 11 has occurred and is continuing, any holder or holders of Notes at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to the Company, declare all the Notes held by it or them to be immediately due and payable.

Upon any Notes becoming due and payable under this Section 12.1, whether automatically or by declaration, such Notes will forthwith mature and the entire unpaid principal amount of such Notes, plus (x) all accrued and unpaid interest thereon (including interest accrued thereon at the applicable Default Rate) and any Excess Leverage Fee, if any, (y) the Make-Whole Amount determined in respect of such principal amount (to the full extent permitted by applicable law), and (z) with respect to any Swapped Note, any Net Loss, shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived; *provided* that the amount to be paid may be subject to reduction pursuant to Section 8.7(a). The Company acknowledges, and the parties hereto agree, that each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Company (except as herein specifically provided for) and that the provision for payment of a Make-Whole Amount and, in respect of a Swapped Note, Net Loss, if any, by the Company in the event that the Notes are prepaid or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

**Section 12.2. Other Remedies.**

If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific

performance of any agreement contained herein or in any Note or Guaranty Agreement, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

**Section 12.3. Rescission.**

At any time after any Notes have been declared due and payable pursuant to clause (b) or (c) of Section 12.1, the Required Holders, by written notice to the Company, may rescind and annul any such declaration and its consequences if (a) the Company has paid all overdue interest all overdue Excess Leverage Fee, if any, on the Notes, all principal of and Make-Whole Amount, if any, on any Notes and Net Loss, if any, on any Swapped Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal, Excess Leverage Fee, if any, and Make-Whole Amount, if any, and Net Loss, if any, and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the applicable Default Rate (after giving effect to any reduction of any such payment pursuant to Section 8.7(a)), (b) neither the Company nor any other Person shall have paid any amounts which have become due solely by reason of such declaration, (c) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17, and (d) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

**Section 12.4. No Waivers or Election of Remedies, Expenses, Etc.**

No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement, any Guaranty Agreement or any Note upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Company under Section 15, the Company will pay to the holder of each Note on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in any enforcement or collection under this Section 12, including reasonable attorneys' fees, expenses and disbursements.

**SECTION 13.REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.**

**Section 13.1. Registration of Notes.**

The Company shall keep at its principal executive office a register for the registration and registration of transfers of Notes. The name and address of each holder of one or more Notes, each transfer thereof and the name and address of each transferee of one or more Notes shall be registered in such register. If any holder of one or more Notes is a nominee, then (a) the name and address of the beneficial owner of such Note or Notes shall also be registered in such register as an owner and holder thereof and (b) at any such beneficial owner's option, either such beneficial owner or its nominee may execute any amendment, waiver or consent pursuant to this Agreement. Prior to due

presentment for registration of transfer, the Person in whose name any Note shall be registered shall be deemed and treated as the owner and holder thereof for all purposes hereof, and the Company shall not be affected by any notice or knowledge to the contrary. The Company shall give to any holder of a Note that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered holders of Notes.

**Section 13.2. Transfer and Exchange of Notes.**

Upon surrender of any Note to the Company at the address and to the attention of the designated officer (all as specified in Section 18(c)) for registration of transfer or exchange (and in the case of a surrender for registration of transfer, duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of such Note or such holder's attorney duly authorized in writing and accompanied by the name, address for notices and wiring instructions of each transferee of such Note or part thereof), within 10 Business Days thereafter, the Company shall execute and deliver, at the Company's expense (except as provided below), one or more new Notes of the same series (as requested by the holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Note. Each such new Note shall be payable to such Person as such holder may request and shall be substantially in the form of Exhibit 1(I), 1(J), 1(K), 1(L) or 1(M), as applicable. Each such new Note shall be dated and bear interest from the date to which interest shall have been paid on the surrendered Note or dated the date of the surrendered Note if no interest shall have been paid thereon. The Company may require payment of a sum sufficient to cover any stamp tax or governmental charge imposed in respect of any such transfer of Notes. Notes shall not be transferred in denominations of less than U.S.$100,000 (in the case of U.S. Dollar Notes) and €100,000 (in the case of Euro Notes); *provided* that if necessary to enable the registration of transfer by a holder of its entire holding of Notes of a series, one Note of such series may be in a denomination of less than U.S.$100,000 (in the case of U.S. Dollar Notes) or €100,000 (in the case of Euro Notes). Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representation set forth in Section 6.2. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name any Note is registered as the owner and holder of such Note for the purpose of receiving payment of principal of and interest on, Excess Leverage Fee, if any, and any Make-Whole Amount or Net Loss payable with respect to, such Note and for all other purposes whatsoever, whether or not such Note shall be overdue, and the Company shall not be affected by notice to the contrary. Subject to the preceding sentence, the holder of any Note may also from time to time grant participations in all or any part of such Note to any Person on such terms and conditions as may be determined by such holder in its sole and absolute discretion.

**Section 13.3. Replacement of Notes.**

Upon receipt by the Company at the address and to the attention of the designated officer (all as specified in Section 18(c)) of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation), and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (*provided* that if the holder of such Note is, or is a nominee for, an original Purchaser or another holder of a Note with a minimum net worth of at least U.S.$50,000,000, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory), or

(b) in the case of mutilation, upon surrender and cancellation thereof,

within 10 Business Days thereafter, the Company at its own expense shall execute and deliver, in lieu thereof, a new Note of the same series, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

**SECTION 14.PAYMENTS OF NOTES.**

**Section 14.1. Place of Payment.**

Subject to Section 14.2, payments of principal, Make-Whole Amount, if any, Net Loss, if any, Excess Leverage Fee, if any, and interest becoming due and payable on the Notes shall be made in Atlanta, Georgia at the principal office of the Company in such jurisdiction. The Company may at any time, by notice to each holder of a Note, change the place of payment of the Notes so long as such place of payment shall be either the principal office of the Company in such jurisdiction or the principal office of a bank or trust company in such jurisdiction or in New York, New York.

**Section 14.2. Home Office Payment by Wire Transfer.**

So long as any Purchaser or its nominee shall be the holder of any Note, and notwithstanding anything contained in Section 14.1 or in such Note to the contrary, the Company will pay all sums becoming due on such Note for principal, Make-Whole Amount, if any, Net Loss, if any, Excess Leverage Fee, if any, interest and all other amounts becoming due hereunder by the method and at the address specified for such purpose below such Purchaser's name in Schedule B, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Company in writing for such purpose, without the presentation or surrender of such Note or the making of any notation thereon, except that upon written request of the Company made concurrently with or reasonably promptly after payment or prepayment in full of any Note, such Purchaser shall surrender such Note for cancellation, reasonably promptly after any such request, to the Company at its principal executive office or at the place of payment most recently designated by the Company pursuant to Section 14.1. Prior to any sale or other disposition of any Note held by a Purchaser or its nominee such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Note to the Company in exchange for a new Note or Notes pursuant to Section 13.2. The Company will afford the benefits of this Section 14.2 to any Institutional Investor that is the direct or indirect transferee of any Note purchased by a Purchaser under this Agreement and that has made the same agreement relating to such Note as each Purchaser has made in this Section 14.2.

**Section 14.3. FATCA Information.**

By acceptance of any Note, the holder of such Note agrees that such holder will with reasonable promptness duly complete and deliver to the Company, or to such other Person as may be reasonably requested by the Company, from time to time (a) in the case of any such holder that is a United States Person, such holder's United States tax identification number or other forms reasonably requested by the Company necessary to establish such holder's status as a United States Person under FATCA and as may otherwise be necessary for the Company to comply with its obligations under FATCA and (b) in the case of any such holder that is not a United States Person, such documentation prescribed by applicable law (including as prescribed by section 1471(b)(3)(C)(i) of the Code) and such additional documentation as may be necessary for the Company to comply with its obligations under FATCA and to determine that such holder has complied with such holder's obligations under FATCA or to determine the amount, if any, to deduct and withhold from any such payment made to such holder. Nothing in this Section 14.3 shall require any holder to provide information that is confidential or proprietary to such holder unless the Company is required to obtain such information under FATCA and, in such event, the Company shall treat any such information it receives as confidential.

**SECTION 15.EXPENSES, ETC.**

**Section 15.1. Transaction Expenses.**

Whether or not the transactions contemplated hereby are consummated, the Company will pay all costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required by the Required Holders, local or other counsel) incurred by each Purchaser or holder of a Note in connection with such transactions and in connection with any amendments, waivers or consents under or in respect of this Agreement, any Guaranty Agreement or the Notes (whether or not such amendment, waiver or consent becomes effective), including: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement, any Guaranty Agreement or the Notes or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement, any Guaranty Agreement or the Notes, or by reason of being a holder of any Note, (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Company or any Subsidiary or in connection with any work-out or restructuring of the transactions contemplated hereby and by the Notes and any Guaranty Agreement and (c) the costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the SVO *provided* that such costs and expenses under this clause (c) shall not exceed U.S.$7,500.

The Company will pay, and will save each Purchaser and each other holder of a Note harmless from, (i) all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those, if any, retained by a Purchaser or other holder in connection with its purchase of the Notes), (ii) any and all wire transfer fees that any bank or other financial institution deducts from any payment under such Note to such holder or otherwise charges to a holder of a Note with respect to a payment under such Note and (iii) any judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (including reasonable attorneys' fees and expenses) or obligation resulting from

the consummation of the transactions contemplated hereby, including the use of the proceeds of the Notes by the Company.

**Section 15.2. Certain Taxes.**

The Company agrees to pay all stamp, documentary or similar taxes or fees which may be payable in respect of the execution and delivery or the enforcement of this Agreement or any Guaranty Agreement or the execution and delivery (but not the transfer) or the enforcement of any of the Notes in the United States or any other jurisdiction where the Company or any Guarantor has assets or of any amendment of, or waiver or consent under or with respect to, this Agreement or any Guaranty Agreement or of any of the Notes, and to pay any value added tax due and payable in respect of reimbursement of costs and expenses by the Company pursuant to this Section 15, and will save each holder of a Note to the extent permitted by applicable law harmless against any loss or liability resulting from nonpayment or delay in payment of any such tax or fee required to be paid by the Company hereunder.

**Section 15.3. Survival.**

The obligations of the Company under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, any Guaranty Agreement or the Notes, and the termination of this Agreement.

**SECTION 16.SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.**

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of each Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by or on behalf of the Company pursuant to this Agreement shall be deemed representations and warranties of the Company under this Agreement. Subject to the preceding sentence, this Agreement, the Notes and any Guaranty Agreements embody the entire agreement and understanding between each Purchaser and the Company and supersede all prior agreements and understandings relating to the subject matter hereof.

**SECTION 17.AMENDMENT AND WAIVER.**

**Section 17.1. Requirements.**

This Agreement and the Notes may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), only with the written consent of the Company and the Required Holders, except that (a) no amendment or waiver of any of Section 1, 2, 3, 4, 5, 6 or 21 hereof, or any defined term (as it is used therein), will be effective as to any Purchaser unless consented to by such Purchaser in writing, and (b) no amendment or waiver may, without the written consent of the holder of each Note at the time outstanding, (i) subject to

Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of, or reduce the rate or change the time of payment or method of computation of (x) interest on the Notes or any Excess Leverage Fee, (y) the Make-Whole Amount or (z) Net Loss or Net Gain, (ii) change the percentage of the principal amount of the Notes the holders of which are required to consent to any amendment or waiver, or (iii) amend any of Sections 8 (except as set forth in the second sentence of Section 8.2 and except that Section 8.8(f)(i) may be amended with the consent of the Required Holders), 11(a), 11(b), 12, 17 or 20.

**Section 17.2. Solicitation of Holders of Notes.**

(a) Solicitation. The Company will provide each holder of the Notes with sufficient information, sufficiently far in advance of the date a decision is required, to enable such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes or any Guaranty Agreement. The Company will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to this Section 17 or any Guaranty Agreement to each holder of outstanding Notes promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) Payment. The Company will not directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security or provide other credit support, to any holder of Notes as consideration for or as an inducement to the entering into by any holder of Notes of any waiver or amendment of any of the terms and provisions hereof or of any Guaranty Agreement or any Note unless such remuneration is concurrently paid, or security is concurrently granted or other credit support concurrently provided, on the same terms, ratably to each holder of Notes then outstanding even if such holder did not consent to such waiver or amendment.

(c) Consent in Contemplation of Transfer. Any consent given pursuant to this Section 17 or any Guaranty Agreement by a holder of a Note that has transferred or has agreed to transfer its Note to (i) the Company, (ii) any Subsidiary or any other Affiliate or (iii) any other Person in connection with, or in anticipation of, such other Person acquiring, making a tender offer for or merging with the Company and/or any of its Affiliates, in each case in connection with such consent, shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

**Section 17.3. Binding Effect, Etc.**

Any amendment or waiver consented to as provided in this Section 17 or any Guaranty Agreement applies equally to all holders of Notes and is binding upon them and upon each future holder of any Note and upon the Company without regard to whether such Note has been marked

to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Company and the holder of any Note nor any delay in exercising any rights hereunder or under any Note or Guaranty Agreement shall operate as a waiver of any rights of any holder of such Note.

**Section 17.4. Notes held by Company, Etc.**

Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement, any Guaranty Agreement or the Notes, or have directed the taking of any action provided herein or in any Guaranty Agreement or the Notes to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by the Company or any of its Affiliates shall be deemed not to be outstanding.

**SECTION 18.NOTICES.**

Except to the extent otherwise provided for in Section 7.4, all notices and communications provided for hereunder shall be in writing and sent (i) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), or (ii) by registered or certified mail with return receipt requested (postage prepaid), or (iii) by an internationally recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

(a) if to a Purchaser or its nominee, to such Purchaser or its nominee at the address specified for such communications by such Purchaser or its nominee in Schedule B, or at such other address as such Purchaser or its nominee shall have specified to the Company in writing,

(b) if to any other holder of any Note, to such holder at such address as such other holder shall have specified to the Company in writing, or

(c) if to the Company, to the Company at its address set forth at the beginning hereof to the attention of Charles A. Chesnutt, Senior Vice President and Treasurer, or at such other address as the Company shall have specified to the holder of each Note in writing.

Notices under this Section 18 will be deemed given only when actually received.

**SECTION 19.REPRODUCTION OF DOCUMENTS.**

This Agreement and all documents relating hereto, including (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser, may be reproduced by such Purchaser by any photographic, photostatic, electronic, digital, microfilm, microcard, miniature

photographic or other similar process and any Purchaser may destroy any original document so reproduced. The Company agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by any Purchaser in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Company or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

**SECTION 20.CONFIDENTIAL INFORMATION.**

For the purposes of this Section 20, "**Confidential Information**" means information delivered to any Purchaser by or on behalf of the Company or any Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature and that was clearly marked or labeled or otherwise adequately identified when received by such Purchaser as being confidential information of the Company or such Subsidiary, *provided* that such term does not include information that (a) was publicly known or otherwise known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by any such Purchaser or any Person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by the Company or any Subsidiary or (d) constitutes financial statements delivered to any Purchaser under Section 7.1 that are otherwise publicly available. Each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such Purchaser, *provided that* such Purchaser may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys, trustees and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by such Purchaser's Notes), (ii) its auditors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with this Section 20, (iii) any other holder of any Note, (iv) any Institutional Investor to which such Purchaser sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (v) any Person from which such Purchaser offers to purchase any security of the Company (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (vi) any federal or state regulatory authority having jurisdiction over any Purchaser, (vii) the National Association of Insurance Commissioners or the SVO or, in each case, any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio, or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to any Purchaser, (x) in response to any subpoena or other legal process, (y) in connection with any litigation to which any Purchaser is a party or (z) if an Event of Default has occurred and is continuing, to the extent any Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes and this Agreement or any Guaranty Agreement. Each holder of a Note,

by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Company in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Company embodying this Section 20.

In the event that as a condition to receiving access to information relating to the Company or its Subsidiaries in connection with the transactions contemplated by or otherwise pursuant to this Agreement, any Purchaser or holder of a Note is required to agree to a confidentiality undertaking (whether through IntraLinks, another secure website, a secure virtual workspace or otherwise) which is different from this Section 20, this Section 20 shall not be amended thereby and, as between such Purchaser or such holder and the Company, this Section 20 shall supersede any such other confidentiality undertaking.

**SECTION 21.SUBSTITUTION OF PURCHASER.**

Each Purchaser shall have the right to substitute any one of its Affiliates or another Purchaser or any one of such other Purchaser's Affiliates (a **"Substitute Purchaser"**) as the purchaser of the Notes that it has agreed to purchase hereunder, by written notice to the Company, which notice shall be signed by both such Purchaser and such Substitute Purchaser, shall contain such Substitute Purchaser's agreement to be bound by this Agreement and shall contain a confirmation by such Substitute Purchaser of the accuracy with respect to it of the representations set forth in Section 6. Upon receipt of such notice, any reference to such Purchaser in this Agreement (other than in this Section 21), shall be deemed to refer to such Substitute Purchaser in lieu of such original Purchaser. In the event that such Substitute Purchaser is so substituted as a Purchaser hereunder and such Substitute Purchaser thereafter transfers to such original Purchaser all of the Notes then held by such Substitute Purchaser, upon receipt by the Company of notice of such transfer, any reference to such Substitute Purchaser as a "Purchaser" in this Agreement (other than in this Section 21), shall no longer be deemed to refer to such Substitute Purchaser, but shall refer to such original Purchaser, and such original Purchaser shall again have all the rights of an original holder of the Notes under this Agreement.

**SECTION 22.MISCELLANEOUS.**

**Section 22.1. Successors and Assigns.**

All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including any subsequent holder of a Note) whether so expressed or not, except that, subject to Section 10.3, the Company may not assign or otherwise transfer any of its rights or obligations hereunder or under the Notes without the prior written consent of each holder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

**Section 22.2. Payments Due on Non-Business Days.**

Anything in this Agreement or the Notes to the contrary notwithstanding, (x) except as set forth in clause (y), any payment of interest on any Note and any Excess Leverage Fee, if any, that is due on a date that is not a Business Day shall be made on the next succeeding Business Day without including the additional days elapsed in the computation of the interest or Excess Leverage Fee, if any, payable on such next succeeding Business Day; and (y) any payment of principal of or Make-Whole Amount on any Note (including principal due on the maturity date of such Note) or any Net Loss that is due on a date that is not a Business Day shall be made on the next succeeding Business Day and shall include the additional days elapsed in the computation of interest and Excess Leverage Fee, if any, payable on such next succeeding Business Day.

**Section 22.3. Severability.**

Any provision of this Agreement 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 hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

**Section 22.4. Construction; Accounting Concepts.**

Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein) and, for purposes of the Notes, shall also include any such notes issued in substitution therefor pursuant to Section 13, (b) subject to Section 22.1, any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections, Schedules and Exhibits shall be construed to refer to Sections of, and Schedules and Exhibits to, this Agreement, and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

For the avoidance of doubt, where the character or amount of any asset or liability or item of income or expense, or any consolidation or other accounting computation is required to be made for any purpose hereunder, it shall be done in accordance with GAAP, *provided*, that if any term defined herein includes or excludes amounts, items or concepts that would not be included in or excluded from such term if such term were defined with reference solely to GAAP, such term will be deemed to include or exclude such amounts, items or concepts as set forth herein. For purposes of determining compliance with this Agreement (including Section 9, Section 10 and the definition of "Indebtedness"), any election by the Company to measure any financial liability using fair value (as permitted by Financial Accounting Standards Board Accounting Standards Codification Topic No. 825-10-25 – Fair Value Option, International Accounting Standard 39 – Financial Instruments: Recognition and Measurement or any similar accounting standard) shall be disregarded and such determination shall be made as if such election had not been made.

**Section 22.5. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

**Section 22.6. Governing Law.**

**This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.**

**Section 22.7. Jurisdiction and Process; Waiver of Jury Trial.**

(a) The Company irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the Notes. To the fullest extent permitted by applicable law, the Company irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Company agrees, to the fullest extent permitted by applicable law, that a final judgment in any suit, action or proceeding of the nature referred to in Section 22.7(a) brought in any such court shall be conclusive and binding upon it subject to rights of appeal, as the case may be, and may be enforced in the courts of the United States or the State of New York (or any other courts to the jurisdiction of which it or any of its assets is or may be subject) by a suit upon such judgment.

(c) The Company consents to process being served by or on behalf of any holder of Notes in any suit, action or proceeding of the nature referred to in Section 22.7(a) by mailing a copy thereof by registered, certified, priority or express mail (or any substantially similar form of mail), postage prepaid, return receipt or delivery confirmation requested, to it at its address specified in Section 18 or at such other address of which such holder shall then have been notified pursuant to said Section. The Company agrees that such service upon receipt (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(d) Nothing in this Section 22.7 shall affect the right of any holder of a Note to serve process in any manner permitted by law, or limit any right that the holders of any of the Notes may have to bring proceedings against the Company in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(e) THE PARTIES HERETO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, THE NOTES OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH OR THEREWITH.

**Section 22.8. Conversion Rate.**

For purposes of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent given under this Agreement, the Notes or any Guaranty Agreement, or have directed the taking of any action provided herein or in the Notes or any Guaranty Agreement to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, the principal amount of any outstanding Notes in Euros shall be deemed to be the equivalent amount in U.S. Dollars calculated on the basis of the U.S. Dollar Equivalent on the Closing Day with respect to such Notes outstanding in Euros, notwithstanding any currency rate fluctuations. For purposes of allocating any offer with respect to any partial purchase or allocating any prepayment of Notes pursuant to Section 8, the principal amount of any outstanding Notes in Euros shall be deemed to be the equivalent amount in U.S. Dollars calculated on the basis of the U.S. Dollar Equivalent with respect to such Notes outstanding in Euros on the date of such offer or prepayment.

**Section 22.9. Judgment Currency.**

Any payment on account of an amount that is payable hereunder or under the Notes or any Guaranty Agreement in a currency (the "**Original Currency**") which is made to or for the account of any holder of Notes in any other currency (the "**Other Currency**"), whether as a result of any judgment or order or the enforcement thereof or the realization of any security or the liquidation of the Company or any Subsidiary, such payment shall constitute a discharge of the obligation of the

Company under this Agreement or the Notes or such Guaranty Agreement only to the extent that on the Business Day following receipt by such holder of any payment made, such holder may, in accordance with normal banking procedures, purchase the Original Currency with the Other Currency in the foreign exchange markets. If the amount of the Original Currency that could be so purchased is less than the amount of Original Currency originally due to such holder, the Company agrees to the fullest extent permitted by law, to indemnify and save harmless such holder from and against all loss or damage arising out of or as a result of such deficiency. This indemnity shall, to the fullest extent permitted by law, constitute an obligation separate and independent from the other obligations contained in this Agreement, the Notes and any Guaranty Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by such holder from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under the Notes or any judgment or order.

[*Remainder of page intentionally left blank. Next page is signature page.*]

Each Purchaser that is in agreement with the foregoing shall sign the form of agreement on the accompanying counterpart of this Agreement and shall return it to the Company, whereupon the foregoing shall become a binding agreement between each such Purchaser and the Company.

Very truly yours,

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

The foregoing is hereby
agreed to as of the date hereof.

[PURCHASERS]

## DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"**Acquisition**" means (a) the acquisition by the Company of (i) Alize LuxCo 1 S.à r.l., a private limited liability company (*société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg, with registered office at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 189378 ("**ALC**") and (ii) Manalliance, a private limited liability company (*société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg, with registered office at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 189559 (together with ALC, the "**Target**"), (b) the repayment of certain indebtedness of the Target and (c) the refinancing of indebtedness incurred to finance the purchase of the Target and repay certain indebtedness of the Target.

"**Additional Note Purchase Agreement**" means any note purchase agreement or similar document, instrument or agreement executed in connection with a private placement debt financing (or any two or more of any of the foregoing forming part of a common interrelated financing) providing for the incurrence of Indebtedness by the Company in an aggregate principal amount equal to or in excess of U.S.$50,000,000 (or the equivalent thereof in any other currency), regardless of the principal amount outstanding thereunder from time to time, in each case, as such document, instrument or agreement may be amended, restated, supplemented or otherwise modified from time to time and together with any increase, refinancing, refunding or replacement thereof, in whole or in part.

"**Affiliate**" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Company.

"**Agreement**" means this Note Purchase Agreement, including all Schedules and Exhibits attached to this Agreement.

"**Anti-Corruption Laws**" means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding bribery or any other corrupt activity, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010.

"**Anti-Money Laundering Laws**" means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes, including the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act) and the USA PATRIOT Act.

"**Asset Sale Notice**" means a written notice from a Responsible Officer to each holder of Notes referring to Section 8.8 and (a) identifying the property that was the subject of a Significant

Asset Sale Event, (b) setting forth, in reasonable detail, a calculation of the Excess Proceeds attributable thereto and (c) as contemplated by Section 8.8(a), specifying the application of such Excess Proceeds.

"**Blocked Person**" means (a) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a Person, entity, organization, country or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country or regime described in clause (a) or (b).

"**Business Day**" means (a) for the purposes of Section 8.6 only, a day that is (i) in the case of U.S. Dollar Notes, any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed (a "**New York Business Day**") and that is a TARGET Business Day for the settlement of payments in Euro, and (ii) in the case of Euro Notes, a day that is both a New York Business Day and a TARGET Business Day for the settlement of payments in Euro, and (b) for the purposes of any other provision of this Agreement, any day other than a Saturday, a Sunday or a day on which commercial banks in New York, New York or Atlanta, Georgia are required or authorized to be closed and that is a TARGET Business Day for the settlement of payments in Euros.

"**Capital Lease**" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"**Change in Control**" is defined in Section 8.9(h).

"**Change in Control Prepayment Date**" is defined in Section 8.9(c).

"**Closing**" is defined in Section 3.

"**Closing Day**" is defined in Section 3.

"**Code**" means the Internal Revenue Code of 1986 and the rules and regulations promulgated thereunder from time to time.

"**Company**" is defined in the introductory sentence to this Agreement.

"**Confidential Information**" is defined in Section 20.

"**Consolidated Net Worth**" means, at any time, the total amount of stockholders' equity of the Company and its Subsidiaries, determined on a consolidated basis in accordance with GAAP, as determined as of the last day of the fiscal quarter of the Company most recently ended at least 45 days prior to such date on a Pro Forma Basis.

"**Consolidated Total Assets**" means, as of the date of any determination thereof, the total amount of all assets of the Company and its Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "**Controlled**" and "**Controlling**" shall have meanings correlative to the foregoing.

"**Control Event**" is defined in Section 8.9(i).

"**Controlled Entity**" means (a) any of the Subsidiaries of the Company and any of their or the Company's respective Controlled Affiliates and (b) if the Company has a parent company, such parent company and its Controlled Affiliates.

"**Credit Agreement**" means the Syndicated Facility Agreement, dated as of September 11, 2012, among the Company, UAP Inc., certain designated subsidiaries of the Company, Bank of America, N.A., as administrative agent, and each of the lenders party thereto from time to time, as amended, restated, amended and restated, supplemented or otherwise modified from time to time, and including any renewals, extensions or replacements thereof.

"**Default**" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"**Default Rate**" means with respect to any Note on any date, that rate of interest per annum that is equal to the greater of 2.00% above the rate of interest stated in clause (a) of the first paragraph of such Note and (a) in the case of a U.S. Dollar Note, 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. in New York, New York as its "base" or "prime" rate, and (b) in the case of a Euro Note, 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. in Frankfurt, Germany as its "base" or "prime" rate.

"**Disclosure Documents**" is defined in Section 5.3.

**"EBITDA"** means, for any period, Net Income for such period, *plus*, without duplication and (other than in the case of clauses (a)(viii) and (a)(ix)) to the extent deducted in determining such Net Income, the sum of:

(a) (i) interest expense for such period,

(ii) provision for taxes based on income, profits or losses (whether paid, estimated or accrued), including foreign withholding taxes, and for corporate franchise, capital stock, net worth, value-added taxes and similar taxes (including penalties and interest, if any), in each case during such period,

(iii) all amounts attributable to depreciation, depletion and amortization (including amortization or impairment of intangible assets and properties) for such period

(excluding amortization expense attributable to a prepaid cash expense that was paid in a prior period),

(iv) any extraordinary, unusual or nonrecurring losses or charges for such period (other than charges of the type described in clause (a)(xi) below),

(v) any Non-Cash Charges for such period; *provided* that any cash payment made with respect to any Non-Cash Charges added back in computing EBITDA for any prior period pursuant to this clause (a)(v) shall be subtracted in computing EBITDA for the period in which such cash payment is made,

(vi) any losses for such period attributable to early extinguishment of Indebtedness or obligations under any Swap Contract or other derivative instruments,

(vii) any unrealized losses for such period attributable to the application of "mark to market" accounting in respect of Swap Contracts or other derivative instruments,

(viii) any gain relating to Swap Contracts associated with transactions realized in the current period that has been reflected in Net Income in prior periods and excluded from EBITDA in such period pursuant to clause (c)(iv) below,

(ix) cash receipts in such period (or any netting arrangements resulting in reduced cash expenses) not included in EBITDA in any prior period to the extent non-cash gains relating to such receipts were deducted in the calculation of EBITDA pursuant to clause (c) below for any previous period and were not added back,

(x) accruals and expenses (including rationalization, legal, tax, structuring and other costs and expenses) related to the transactions contemplated by this Agreement, acquisitions or issuances of debt or equity permitted under this Agreement, whether or not consummated,

(xi) restructuring charges, accruals or reserves (including restructuring and integration costs related to acquisitions and closure of facilities and adjustments to existing reserves) whether or not classified as restructuring expense on the consolidated financial statements of the Company, in an aggregate amount not to exceed U.S.$55,000,000 for any period of four consecutive fiscal quarters,

(xii) losses on asset sales, disposals or abandonments (other than asset sales, disposals and abandonments in the ordinary course of business), and

(xiii) actual net losses resulting from discontinued operations, *plus (or minus)*

(b) Pro Forma Adjustments in connection with acquisitions (including the Acquisition) consummated during such period and Initiatives commenced during such period; *provided* that (i) such Pro Forma Adjustments shall be calculated net of the amount of actual benefits realized and (ii) the aggregate amount of all amounts under this clause (b) that increase EBITDA in any period

shall not exceed, and shall be limited to, 15% of EBITDA in respect of such period (calculated before giving effect to such adjustments and all other adjustments to EBITDA); and *minus*

(c) without duplication and to the extent included in determining such Net Income:

(i) any extraordinary gains for such period,

(ii) any non-cash gains for such period, including with respect to write-ups of assets or goodwill,

(iii) any gains attributable to the early extinguishment of Indebtedness or obligations under any Swap Contract,

(iv) any unrealized gains for such period attributable to the application of "mark to market" accounting in respect of Swap Contracts,

(v) any loss relating to Swap Contracts associated with transactions realized in the current period that has been reflected in Net Income in prior periods and included in EBITDA in such period pursuant to clause (a)(vii) above,

(vi) gains on asset sales, disposals or abandonments (other than asset sales, disposals and abandonments in the ordinary course of business), and

(vii) actual net gains resulting from discontinued operations;

*provided*, *further,* that EBITDA for any period shall be calculated so as to exclude (without duplication of any adjustment referred to above) non-cash foreign translation gains and losses.

For purposes of calculating EBITDA for any period, if during such period the Company or any Subsidiary shall have consummated an acquisition or any Initiative, EBITDA for such period shall be calculated with respect to such period on a Pro Forma Basis, giving effect to such acquisition or Initiative.

"**Environmental Laws**" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to Hazardous Materials.

"**ERISA**" means the Employee Retirement Income Security Act of 1974 and the rules and regulations promulgated thereunder from time to time in effect.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

"**Euro**", "**€**" and "**EUR**" means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Communities, as amended by the Treaty on European Union.

"**Euro Note**" means a Note denominated in Euros.

"**Event of Default**" is defined in Section 11.

"**Excess Leverage Fee**" is defined in Section 9.8.

"**Excess Proceeds**" is defined in Section 8.8(f).

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

"**Excluded Sale and Leaseback Transaction**" means any sale or transfer of property acquired by the Company or any Subsidiary after the date of this Agreement to any Person within 180 days following the acquisition or construction of such property by the Company or any Subsidiary if the Company or such Subsidiary shall concurrently with such sale or transfer, lease such property, as lessee.

"**FATCA**" means (a) sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), together with any current or future regulations or official interpretations thereof, (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of the foregoing clause (a), and (c) any agreements entered into pursuant to section 1471(b)(1) of the Code.

"**Foreign Subsidiary**" means any Subsidiary other than a Subsidiary that is organized under the laws of any state or commonwealth of the United States or the District of Columbia.

"**Funding Instruction Letter**" means a letter from the Company to the Purchasers of the Notes, delivered to them at least three Business Days prior to the Closing Day, setting forth the name of the bank, the account, the applicable ABA number, and such other information as the Purchasers require in connection with payment for each series of the Notes to be purchased on the Closing Day.

"**GAAP**" means generally accepted accounting principles as in effect from time to time in the United States.

"**Governmental Authority**" means

(a) the government of

(i) the United States or any State or other political subdivision thereof, or

(ii) any other jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

**"Governmental Official"** means any governmental official or employee, employee of any government-owned or government-controlled entity, political party, any official of a political party, candidate for political office, official of any public international organization or anyone else acting in an official capacity.

"**Guarantor**" means each Subsidiary which is required to execute a Guaranty Agreement pursuant to Section 9.6 of this Agreement.

"**Guaranty**" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"**Guaranty Agreement**" is defined in Section 9.6(a).

"**Hazardous Materials**" means any and all pollutants, toxic or hazardous wastes or other substances that might pose a hazard to health and safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized by any applicable law, including asbestos, urea

formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas or similar restricted, prohibited or penalized substances.

"**holder**" means, with respect to any Note, the Person in whose name such Note is registered in the register maintained by the Company pursuant to Section 13.1, *provided*, *however*, that if such Person is a nominee, then for the purposes of Sections 7, 12, 17.2 and 18 and any related definitions in this Schedule A, "holder" shall mean the beneficial owner of such Note whose name and address appears in such register.

"**Indebtedness**" with respect to any Person means, at any time, without duplication,

(a) all its liabilities for borrowed money and its redemption obligations in respect of mandatorily redeemable Preferred Stock;

(b) all its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable arising in the ordinary course of business but including all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) all liabilities appearing on its balance sheet in accordance with GAAP in respect of Capital Leases;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities);

(e) all its liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money);

(f) all obligations of such Person under Swap Contracts;

(g) the maximum commitment amount (as in effect from time to time) of all liquidity facilities to the extent required, pursuant to the documentation entered into in connection with any Securitization Transaction, to be dedicated to support such Securitization Transaction (whether or not the drawings under such liquidity facilities are outstanding); and

(h) any Guaranty of such Person with respect to liabilities of a type described in any of clauses (a) through (g) hereof.

For the avoidance of doubt, "Indebtedness" shall not include any obligation of the Company or its Subsidiaries in connection with a Securitization Transaction.

"**INHAM Exemption**" is defined in Section 6.2(e).

"**Initiative**" means any Specified Transaction, restructuring, business optimization activity, cost savings initiative or other similar initiative (including capital expenditures for future expansion and business optimization projects resulting in restructuring charges or other similar charges and expenses).

"**Institutional Investor**" means (a) any original purchaser of a Note, (b) any holder of a Note holding (together with one or more of its affiliates) more than 5% of the aggregate principal amount of the Notes then outstanding, and (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form and (d) any Persons that are registered holders of Notes in a minimum principal amount of at least U.S.$5,000,000 (or the equivalent thereof in Euros) for whom any original purchaser of Notes manages investments or accounts.

"**Leverage Ratio**" means, as of any date of determination, the ratio of (a) Total Funded Debt as of such date to (b) EBITDA for the period of four consecutive fiscal quarters of the Company then most recently ended.

"**Lien**" means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

"**Limited Condition Transaction**" means any consolidation, merger or conveyance, sale or lease of all or substantially all of the assets of the Company as an entirety the consummation of which is not conditioned on the availability of, or on obtaining, third-party financing and which is designated as a Limited Condition Transaction by the Company in writing to the holders of the Notes on or prior to the date the definitive agreements for such transaction are entered into.

"**LCT Election**" is defined in Section 10.3.

"**LCT Test Date**" is defined in Section 10.3.

"**Make-Whole Amount**" is defined in Section 8.6.

"**Material**" means material in relation to the business, operations, affairs, financial condition, assets, or properties of the Company and its Subsidiaries taken as a whole.

"**Material Acquisition**" means an acquisition (in one transaction or a series of related transactions) that involves aggregate consideration (including cash, equity, purchase price adjustments (but excluding earn-out or similar payments), Indebtedness or liabilities incurred or assumed, and all transaction costs) in excess of U.S.$250,000,000.

"**Material Adverse Effect**" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a

whole, or (b) the ability of the Company to perform its obligations under this Agreement and the Notes, or (c) the ability of any Guarantor to perform its obligations under its Guaranty Agreement, or (d) the validity or enforceability of this Agreement, the Notes or any Guaranty Agreement.

"**Maturity Date**", with respect to any Note, has the meaning set forth in the first paragraph of such Note.

"**Maximum Leverage Ratio**" is defined in Section 10.1.

"**Memorandum"** is defined in Section 5.3.

"**Multiemployer Plan**" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"**NAIC**" means the National Association of Insurance Commissioners.

"**NAIC Annual Statement**" is defined in Section 6.2(a).

"**Net Gain**" is defined in Section 8.7.

"**Net Income**" means, for any period, the consolidated net income (or loss) of the Company and its Subsidiaries, determined on a consolidated basis in accordance with GAAP; *provided* that Net Income shall exclude (a) the net income of any Subsidiary during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its organization documents or any agreement or instrument or law, order, rule or regulation applicable to such Subsidiary during such period, except that the Company's equity in any net loss of any such Subsidiary for such period shall be included in determining Net Income and (b) any income (or loss) for such period of any Person if such Person is not a Subsidiary, except that the Company's equity in the net income of any such Person for such period shall be included in Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or any Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary, such Subsidiary is not precluded from further distributing such amount to the Company as described in clause (a) of this proviso).

"**Net Loss**" is defined in Section 8.7.

"**Net Proceeds**" means, with respect to any sale, lease or other disposition of any property by any Person, an amount equal to the difference of: (a) the aggregate amount of the consideration (valued at the fair market value of such consideration at the time of the consummation of such sale, lease or other disposition but net of applicable taxes) received by such Person in respect of such disposition, *minus* (b) all reasonable out-of-pocket costs and expenses (including legal, accounting and investment banking fees, and sales commissions) paid by the Company or any Subsidiary in connection with such sale, lease or other disposition.

"**Non-Cash Charges**" means any non-cash charges, including (a) any write-off for impairment of long-lived assets (including goodwill, intangible assets and fixed assets such as property, plant and equipment), or of deferred financing fees or investments in debt and equity

securities, in each case, pursuant to GAAP, (b) non-cash expenses resulting from the grant of stock options, restricted stock awards or other equity-based incentives to any director, officer or employee of the Company or any Subsidiary (excluding, for the avoidance of doubt, any cash payments of income taxes made for the benefit of any such Person in consideration of the surrender of any portion of such options, stock or other incentives upon the exercise or vesting thereof), (c) any non-cash charges resulting from (i) the application of purchase accounting or (ii) investments in minority interests in a Person, to the extent that such investments are subject to the equity method of accounting; *provided* that Non-Cash Charges shall not include additions to bad debt reserves or bad debt expense and any non-cash charge that results from the write-down or write-off of accounts receivable, (d) the non-cash impact of accounting changes or restatements, (e) non-cash charges and expenses resulting from pension adjustments and (f) any non-cash expenses and costs that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

"**Non-Swapped Note**" is defined in Section 8.6(a).

"**Non-U.S. Plan**" means any plan, fund or other similar program that (a) is established or maintained outside the United States by the Company or any Subsidiary primarily for the benefit of employees of the Company or one or more Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and (b) is not subject to ERISA or the Code.

"**Notes**" is defined in Section 1.1.

"**Notice of Increase in Leverage Ratio**" is defined in Section 10.1.

"**OFAC**" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"**OFAC Sanctions Program**" means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx.

"**Officer's Certificate**" means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

"**PBGC**" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA.

"**Person**" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

"**Plan**" means an "employee benefit plan" (as defined in section 3(3) of ERISA) that is or, within the preceding five years, has been established or maintained, or to which contributions are

or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate may have any liability.

"**Post-Transaction Period**" means (a) with respect to any Specified Transaction, the period beginning on the date such Specified Transaction is consummated and ending on the last day of the fourth full consecutive fiscal quarter immediately following the date on which such Specified Transaction is consummated and (b) with respect to any other Initiative, the period beginning on the date on which such Initiative commences and ending on the last day of the fourth full consecutive fiscal quarter following the date on which such Initiative commences.

"**Preferred Stock**" means any class of capital stock of a Person that is preferred over any other class of capital stock (or similar equity interests) of such Person as to the payment of dividends or the payment of any amount upon liquidation or dissolution of such Person.

"**Principal Credit Facility**" means (a) the Credit Agreement, (b) the Series F Note Purchase Agreement, (c) the Series G Note Purchase Agreement, (d) the Series H Note Purchase Agreement, (e) any Additional Note Purchase Agreement and (f) any other loan agreement, credit agreement, note purchase agreement, indenture or similar document, instrument or agreement (or any two or more of any of the foregoing forming part of a common interrelated financing or other transaction) providing for the incurrence of Indebtedness by the Company in an aggregate principal amount equal to or in excess of U.S.$150,000,000 (or the equivalent thereof in any other currency), regardless of the principal amount outstanding thereunder from time to time, in each case under clauses (a), (b), (c), (d), (e) and (f) above, as such document, instrument or agreement may be amended, restated, supplemented or otherwise modified from time to time and together with any increase, refinancing, refunding or replacement thereof, in whole or in part.

"**Priority Debt**" means (without duplication), as of the date of any determination thereof, (a) all unsecured Indebtedness of Subsidiaries of the Company (other than any such Indebtedness (1) owing to the Company or other Subsidiaries and (2) of Guarantors), (b) all Indebtedness of the Company and its Subsidiaries (other than any such Indebtedness owing to the Company or other Subsidiaries) secured by Liens, and (c) the higher of the liquidation preference or the redemption amount of Preferred Stock of any Subsidiary (other than any such Preferred Stock issued to the Company or any Guarantor).

"**Pro Forma Adjustment**" means, with respect to any Initiative, for any period, the pro forma increase or decrease (for the avoidance of doubt, net of any such increase or decrease actually realized) in EBITDA (including the portion thereof attributable to any assets (including equity interests) sold or acquired) from cost savings, operating expense reductions, business optimization projects and other cost synergies (in each case net of amounts actually realized and costs incurred to achieve the same), in each case, related to such Initiative that are reasonably identifiable, factually supportable and projected by the Company in good faith to result within the applicable Post-Transaction Period from actions taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Company) within (a) in the case of any Specified Transaction, the four full consecutive fiscal quarters after the date of consummation of such Specified Transaction and (b) in the case of any other Initiative, the four full consecutive fiscal quarters after commencement of such Initiative, as applicable; *provided* that, the cost savings

and synergies related to such actions or such additional costs, as applicable, may be assumed, for purposes of projecting such pro forma increase or decrease to such EBITDA to be realized on a "run-rate" basis during the entirety, or, in the case of, additional costs, as applicable, to be incurred during the entirety of any fiscal quarters of the Company included in such period; *provided*, *further*, that any such pro forma increase or decrease to EBITDA shall be (i) without duplication for cost savings, synergies or additional costs already included in EBITDA for such period and (ii) made only in a fiscal quarter during the applicable Post-Transaction Period.

"**Pro Forma Basis**" and "**Pro Forma Compliance**" mean, with respect to compliance with any test or covenant hereunder required by the terms of this Agreement to be made on a Pro Forma Basis, that (a) to the extent applicable, the Pro Forma Adjustment shall have been made (subject, for the avoidance of doubt, to the limitations set forth in clause (b) of the definition of "EBITDA") and (b) all Initiatives and the following transactions in connection therewith shall be deemed to have occurred as of (or commencing with) the first day of the applicable period of measurement in such test or covenant: (i) income statement items (whether positive or negative) attributable to the property or Person subject to such Initiative (A) in the case of a disposition of all or substantially all equity interests in any Subsidiary or any division, product line, or facility used for operations of the Company or any of the Subsidiaries, shall be excluded, and (B) in the case of an acquisition or investment described in the definition of "Specified Transaction," shall be included, (ii) any prepayment, repayment, retirement, redemption or satisfaction of Indebtedness, and (iii) any Indebtedness incurred or assumed by the Company or any of the Subsidiaries in connection therewith; *provided* that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with (and subject to applicable limitations included in) the definition of "EBITDA" and give effect to operating expense reductions that are (1) (x) directly attributable to such transaction, (y) expected to have a continuing impact on the Company and the Subsidiaries and (z) factually supportable or (2) otherwise consistent with the definition of "Pro Forma Adjustment."

"**Projections**" is defined in Section 5.3.

"**property**" or "**properties**" means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"**Property Reinvestment Application**" means, with respect to any Significant Asset Sale Event, the application of all or a part of the Excess Proceeds with respect to such Significant Asset Sale Event to the acquisition by the Company or any of its Subsidiaries of productive assets used or useful in carrying on the business of the Company and its Subsidiaries (excluding, for the avoidance of doubt, cash and cash equivalents) and having a value at least equal to the value of such assets which were the subject of such Significant Asset Sale Event.

"**Proposed Prepayment Date**" is defined in Section 8.8(b).

"**PTE**" is defined in Section 6.2(a).

"**Purchaser**" or "**Purchasers**" means each of the purchasers that has executed and delivered this Agreement to the Company and such Purchaser's successors and assigns (so long as any such assignment complies with Section 13.2), *provided*, *however*, that any Purchaser of a Note that ceases to be the registered holder or a beneficial owner (through a nominee) of such Note as the result of a transfer thereof pursuant to Section 13.2 shall cease to be included within the meaning of "Purchaser" of such Note for the purposes of this Agreement upon such transfer.

"**QPAM Exemption**" is defined in Section 6.2(d).

"**Receivables**" means those assets classified as (a) accounts or notes receivable under GAAP or (b) accounts or general intangibles within the meaning of the Uniform Commercial Code of any jurisdiction.

"**Required Holders**" means, at any time on or after the Closing, the holder or holders of more than 50% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by the Company or any of its Affiliates).

"**Responsible Officer**" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

"**Securities Act**" means the Securities Act of 1933.

"**Securitization Transaction**" means a securitization transaction in which Receivables are sold and such transaction is a true sale for bankruptcy purposes and is accounted for by the seller as a sale in accordance with GAAP.

"**Senior Financial Officer**" means the chief financial officer, principal accounting officer, treasurer or comptroller of the Company.

"**Series F Note Purchase Agreement**" means that certain Note Purchase Agreement dated as of August 19, 2013, by and among the Company and The Prudential Insurance Company of America and the other purchasers listed on schedule B attached thereto, as amended, restated, supplemented or otherwise modified from time to time.

"**Series G Note Purchase Agreement**" means that certain Note Purchase Agreement dated as of July 29, 2016, by and among the Company and Metropolitan Life Insurance Company and the other purchasers listed on schedule A attached thereto, as amended, restated, supplemented or otherwise modified from time to time.

"**Series H Note Purchase Agreement**" means that certain Note Purchase Agreement dated as of October 17, 2016, by and among the Company and New York Life Insurance Company and the other purchasers listed on schedule A attached thereto, as amended, restated, supplemented or otherwise modified from time to time.

"**Series I Notes**" is defined in Section 1.1.

"**Series J Notes**" is defined in Section 1.1.

"**Series K Notes**" is defined in Section 1.1.

"**Series L Notes**" is defined in Section 1.1.

"**Series M Notes**" is defined in Section 1.1.

"**Significant Asset Sale Event**" is defined in Section 8.8(f).

"**Significant Subsidiary**" means at any time any Subsidiary that would at such time constitute a "significant subsidiary" (as such term is defined in Regulation S-X of the Securities and Exchange Commission as in effect on the date of the Closing) of the Company.

"**Source**" is defined in Section 6.2.

"**Specified Exchange Rate"** means, on any day, in respect of any amount denominated in Euros, the rate at which Euros may be exchanged into U.S. Dollars, in each case as set forth at 10:00 A.M., Eastern time, on such date (for spot delivery) on the applicable Bloomberg Key Cross Currency Rates Page FXC (or any successor thereto). In the event that such rate does not appear on such page, the Specified Exchange Rate shall be determined by reference to such other nationally recognized, publicly available service for displaying exchange rates selected by the Required Holders for such purposes or, at the discretion of the Required Holders, the Specified Exchange Rate shall instead be the arithmetic average of the spot rates of exchange operations in respect of such date for the purchase of U.S. Dollars for delivery two Business Days (or such other period as is customary in the relevant market) later; *provided* that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Required Holders may use any other reasonable method they deem appropriate to determine such rate, and such determination shall be presumed correct absent manifest error.

"**Specified Transaction**" means, with respect to any period, any investment, acquisition, disposition, incurrence, assumption or repayment of Indebtedness, merger, consolidation or other event (other than another Initiative) that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"**State Sanctions List**" means a list that is adopted by any state Governmental Authority within the United States pertaining to Persons that engage in investment or other commercial activities in Iran or any other country that is a target of economic sanctions imposed under U.S. Economic Sanctions Laws.

"**Subsidiary**" means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major

business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Company.

"**SVO**" means the Securities Valuation Office of the NAIC.

"**Swapped Note**" is defined in Section 8.6(b).

"**Swap Contract**" 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. For the purposes of this Agreement, the amount of the obligation under any Swap Contract shall be the amount determined in respect thereof as of the end of the then most recently ended fiscal quarter of such Person, based on the assumption that such Swap Contract had terminated at the end of such fiscal quarter, and in making such determination, if any agreement relating to such Swap Contract provides for the netting of amounts payable by and to such Person thereunder or if any such agreement provides for the simultaneous payment of amounts by and to such Person, then in each such case, the amount of such obligation shall be the net amount so determined.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Closing Settlement Express Transfer payment system (or any successor thereto) is open for the settlement of payments in a specified currency.

"**Total Funded Debt**" means, as of any date, the aggregate principal amount of Indebtedness of the Company and its Subsidiaries determined on a consolidated basis outstanding as of such date, in the amount that would be reflected on a balance sheet prepared as of such date on a consolidated basis in accordance with GAAP, consisting of (a) Indebtedness for borrowed money, (b) all obligations (contingent or otherwise) under letters of credit, (c) the principal portion of obligations in respect of Capital Leases and (d) Guaranties in respect of any Indebtedness described in the foregoing clauses (a) through (c).

"**United States**" means the United States of America.

"**United States Person**" has the meaning set forth in Section 7701(a)(30) of the Code.

"**USA PATRIOT Act**" means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 and the rules and regulations promulgated thereunder from time to time in effect.

"**U.S. Dollar Equivalent"** mean, at any time, with regard to any amount designated in Euros, the equivalent amount in U.S. Dollars determined using the Specified Exchange Rate as of the date two Business Days prior to such time.

"**U.S. Dollar Note**" means a Note denominated in U.S. Dollars.

"**U.S. Dollars**" **or** "**U.S.$**" means lawful money of the United States.

"**U.S. Economic Sanctions Laws**" means those laws, executive orders, enabling legislation or regulations administered and enforced by the United States pursuant to which economic sanctions have been imposed on any Person, entity, organization, country or regime, including the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Iran Sanctions Act, the Sudan Accountability and Divestment Act and any other OFAC Sanctions Program.

**INFORMATION RELATING TO PURCHASERS**

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY**<br>720 East Wisconsin Avenue<br>Milwaukee, WI 53202 | Series J<br>Series K<br>Series L<br>Series M | €80,000,000 €21,000,000<br>€25,000,000<br>€25,000,000 |

(1) All payments on account of Notes held by such Purchaser shall be made by wire transfer of immediately available funds, providing sufficient information to identify the source of the transfer, the amount of the dividend and/or redemption (as applicable) and the identity of the security as to which payment is being made.

Please contact our Treasury & Investment Operations Department to securely obtain wire transfer instructions for The Northwestern Mutual Life Insurance Company.

E-mail: payments@northwesternmutual.com
Phone: (414) 665-1679

All payments with respect to the Excess Leverage Fee shall be paid in U.S. Dollars.

(2) All notices with respect to confirmation of payments on account of the Notes shall be delivered or mailed to:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attention: Investment Operations
E-mail: payments@northwesternmutual.com
Phone: (414) 665-1679

(3) All other communications including any permitted electronic delivery of financial and business information (or any notices related thereto) shall be delivered or mailed to:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attention: Securities Department
E-mail: privateinvest@northwesternmutual.com

(4) Address for physical delivery of the Notes:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attention: Christopher M. Eisold

SCHEDULE B
(to Note Purchase Agreement)

(5) Nominee: None

(6) Tax Identification No.: 39-0509570

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series K | €2,950,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase, Frankfurt
SWIFT Code: CHASDEFX
Account: JPMorgan Chase Bank, London
Account No.: 6231400604
IBAN: GB19CHAS60924224282303
F/F/C: GTI 24039 Brighthouse Life Insurance Company
Ref: PPN: 372460 D@1– Genuine Parts Company 1.81% due 10/30/2027

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments – Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: G 05314

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series L | €3,050,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase, Frankfurt
SWIFT Code: CHASDEFX
Account: JPMorgan Chase Bank, London
Account No.: 6231400604
IBAN: GB19CHAS60924224282303
F/F/C: GTI 24039 Brighthouse Life Insurance Company
Ref: PPN: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments – Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: G 05314

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series M | €3,050,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase, Frankfurt
SWIFT Code: CHASDEFX
Account: JPMorgan Chase Bank, London
Account No.: 6231400604
IBAN: GB19CHAS60924224282303
F/F/C: GTI 24039 Brighthouse Life Insurance Company
Ref: PPN: 372460 E*2 – Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

**Brighthouse Life Insurance Company**
c/o MetLife Investment Advisors, LLC, Investments – Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: G 05314

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series K | €2,950,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan AG Frankfurt am Main
SWIFT: CHASGB2L
Account No.: 41350564
IBAN: GB92CHAS60924241350564
F/F/C: GTI AFQ13
Account Name: BrightHouse Life Insurance Company Separate Account SA Global
Ref: PPN: 372460 D@1 – Genuine Parts Company 1.81% due 10/30/2027

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments - Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: P 19425

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: Brighthouse Life Insurance Company, on behalf of its Separate Account SA (Structured Annuity)

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series L | €3,050,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan AG Frankfurt am Main
SWIFT: CHASGB2L
Account No.: 41350564
IBAN: GB92CHAS60924241350564
F/F/C: GTI AFQ13
Account Name: BrightHouse Life Insurance Company Separate Account SA Global
Ref: PPN: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments - Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy OTHER than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: P 19425

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: Brighthouse Life Insurance Company, on behalf of its Separate Account SA (Structured Annuity)

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **BRIGHTHOUSE LIFE INSURANCE COMPANY**<br>334 Madison Avenue<br>Convent Station, New Jersey 07961 | Series M | €3,050,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan AG Frankfurt am Main
SWIFT: CHASGB2L
Account No.: 41350564
IBAN: GB92CHAS60924241350564
F/F/C: GTI AFQ13
Account Name: BrightHouse Life Insurance Company Separate Account SA Global
Ref: PPN: 372460 E*2 – Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments - Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JP Morgan Chase Bank NA
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Ref: P 19425

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: Brighthouse Life Insurance Company, on behalf of its Separate Account SA (Structured Annuity)

(5) Tax Identification No.: 06-0566090

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series L | €12,700,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank Account: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1068626028
Beneficiary Name: MetLife Insurance K.K.
Ref: PPN: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series M | €12,700,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank Account: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1068626028
Beneficiary Name: MetLife Insurance K.K.
Ref: PPN: 372460 E*2 – Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series L | €5,200,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank Account: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1070689029
Beneficiary Name: MetLife Insurance K.K.
Ref: PPN: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series M | €5,200,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank Account: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1070689029
Beneficiary Name: MetLife Insurance K.K.
Ref: PPN: 372460 E*2– Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series L | €17,800,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank A/C #: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1200955036
Beneficiary Name: MetLife Insurance K.K.
Ref: *PPN*: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METLIFE INSURANCE K.K.**<br>1-3, Kioicho, Chiyoda-ku<br>Tokyo, 102-8525 JAPAN | Series M | €17,800,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Beneficiary Bank: Citibank N.A., Hong Kong
Beneficiary Bank BIC: CITIHKHX
Intermediary Bank: Citibank N.A., London
Intermediary Bank BIC: CITIGB2L
Beneficiary Bank A/C #: 655821
IBAN: GB44CITI18500800655821
Beneficiary Account No.: 1200955036
Beneficiary Name: MetLife Insurance K.K.
Ref: *PPN*: 372460 E*2 – Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

MetLife Asset Management Corp. (Japan)
Administration Department
Tokyo Garden Terrace Kioicho Kioi Tower 25F
1-3, Kioicho, Chiyoda-ku, Tokyo 102-8525 Japan
Attention: Administration Dept. Manager
Email: saura@metlife.co.jp

With a copy to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With another copy other than with respect to deliveries of financial statements to:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

MetLife Insurance K.K.
c/o MetLife Investment Advisors, LLC, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 98-1037269 (USA) and 00661996 (Japan)

(7) UK Passport Treaty Number: 43/M/359828/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METROPOLITAN LIFE INSURANCE COMPANY**<br>200 Park Avenue<br>New York, New York 10166 | Series K | €13,700,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase Bank, Frankfurt
SWIFT Code: CHASDEFX
Account: JP Morgan Chase Bank, London
Account No.: 6231400604
F/F/C: GTI 07900 Metropolitan Life Insurance Company
Ref: PPN: 372460 D@1 – Genuine Parts Company 1.81% due 10/30/2027

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Metropolitan Life Insurance Company
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com:

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 13-5581829

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METROPOLITAN LIFE INSURANCE COMPANY**<br>200 Park Avenue<br>New York, New York 10166 | Series L | €21,800,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase Bank, Frankfurt
SWIFT Code: CHASDEFX
Account: JP Morgan Chase Bank, London
Account No.: 6231400604
F/F/C: GTI 07900 Metropolitan Life Insurance Company
Ref: PPN: 372460 D#9 – Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Metropolitan Life Insurance Company
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com:

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 13-5581829

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **METROPOLITAN LIFE INSURANCE COMPANY**<br>200 Park Avenue<br>New York, New York 10166 | Series M | €21,800,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name: JPMorgan Chase Bank, Frankfurt
SWIFT Code: CHASDEFX
Account: JP Morgan Chase Bank, London
Account No.: 6231400604
F/F/C: GTI 07900 Metropolitan Life Insurance Company
Ref: PPN: 372460 E*2 – Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Metropolitan Life Insurance Company
Investments, Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com:

(3) Address for audit requests:

Soft copy: AuditConfirms.PvtPlacements@metlife.com

Hard copy to:

Metropolitan Life Insurance Company
Attn: Private Placements Operations (ATTN: Audit Confirmations)
18210 Crane Nest Drive – 5th Floor
Tampa, FL 33647

(4) Address for physical delivery of the Note:

Metropolitan Life Insurance Company, Investments Law
One MetLife Way
Whippany, New Jersey 07981
Attention: Dan Scudder, Vice President and Associate General Counsel

(5) Nominee: None

(6) Tax Identification No.: 13-5581829

(7) UK Passport Treaty Number: 13/M/61303/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PENSIONSKASSE DES BUNDES PUBLICA**<br>Attn. Asset Management<br>Eigerstrasse 57<br>3007 Bern, Switzerland | Series K | €1,400,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Currency: EUR
Bank Name: J.P. Morgan Chase Bank, N.A.
SWIFT: CHASGB2L
Account No.: GB42CHAS60924241360776
Name: PUBLICA - PRIVATE PLACEMENT METLIFE
Ref: PPN: 372460 D@1 - Genuine Parts Company 1.81% due 10/30/2027

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Publica
c/o MetLife Investment Management Limited
Investments, Private Placements
One MetLife Way
Whippany, NJ 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Pensionskasse des Bundes PUBLICA
Attn. Asset Management
Eigerstrasse 57
3007 Bern, Switzerland
Facsimile: +41 58 485 2113

and

Publica
c/o MetLife Investment Management Limited
One MetLife Way
Whippany, NJ 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JPMorgan Chase Bank, N.A.
4 Chase Metrotech Center, 3rd Floor
Brooklyn, New York 11245-0001
Attention: Physical Receive Department
Reference Account: GTI EAQ51
Reference: Account Name - PUBLICA - PRIVATE PLACEMENT METLIFE

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Taxpayer I.D. No.: ZPV 230’763’575

(6) UK Passport Treaty Number: 6/P/344506/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PENSIONSKASSE DES BUNDES PUBLICA**<br>Attn. Asset Management<br>Eigerstrasse 57<br>3007 Bern, Switzerland | Series L | €1,400,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Currency: EUR
Bank Name: J.P. Morgan Chase Bank, N.A.
SWIFT: CHASGB2L
Account No.: GB42CHAS60924241360776
Name: PUBLICA - PRIVATE PLACEMENT METLIFE
Ref: PPN: 372460 D#9 - Genuine Parts Company 2.02% due 10/30/2029

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Publica
c/o MetLife Investment Management Limited
Investments, Private Placements
One MetLife Way
Whippany, NJ 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Pensionskasse des Bundes PUBLICA
Attn. Asset Management
Eigerstrasse 57
3007 Bern, Switzerland
Facsimile: +41 58 485 2113

and

Publica
c/o MetLife Investment Management Limited
One MetLife Way
Whippany, NJ 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JPMorgan Chase Bank, N.A.
4 Chase Metrotech Center, 3rd Floor
Brooklyn, New York 11245-0001
Attention: Physical Receive Department
Reference Account: GTI EAQ51
Reference: Account Name - PUBLICA - PRIVATE PLACEMENT METLIFE

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Taxpayer I.D. No.: ZPV 230’763’575

(6) UK Passport Treaty Number: 6/P/344506/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PENSIONSKASSE DES BUNDES PUBLICA**<br>Attn. Asset Management<br>Eigerstrasse 57<br>3007 Bern, Switzerland | Series M | €1,400,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Currency: EUR
Bank Name: J.P. Morgan Chase Bank, N.A.
SWIFT: CHASGB2L
Account No.: GB42CHAS60924241360776
Name: PUBLICA - PRIVATE PLACEMENT METLIFE
Ref: PPN: 372460 E*2 - Genuine Parts Company 2.32% due 10/30/2032

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Publica
c/o MetLife Investment Management Limited
Investments, Private Placements
One MetLife Way
Whippany, NJ 07981
Attention: Christine Brown, Associate Director Priv Placements-Corporates
Emails: PPUCompliance@metlife.com and Christine.brown@metlife.com

With a copy other than with respect to deliveries of financial statements to:

Pensionskasse des Bundes PUBLICA
Attn. Asset Management
Eigerstrasse 57
3007 Bern, Switzerland
Facsimile: +41 58 485 2113

and

Publica
c/o MetLife Investment Management Limited
One MetLife Way
Whippany, NJ 07981
Attention: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(3) Address for physical delivery of the Note:

JPMorgan Chase Bank, N.A.
4 Chase Metrotech Center, 3rd Floor
Brooklyn, New York 11245-0001
Attention: Physical Receive Department
Reference Account: GTI EAQ51
Reference: Account Name - PUBLICA - PRIVATE PLACEMENT METLIFE

Copy to Daniel Scudder (dscudder@MetLife.com)

(4) Nominee: None

(5) Taxpayer I.D. No.: ZPV 230’763’575

(6) UK Passport Treaty Number: 6/P/344506/DTTP

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**<br>c/o Barings LLC<br>1500 Main Street – Suite 2200<br>PO Box 15189<br>Springfield, MA 01115-5189 | Series K | €100,000,000 |

(1) All payments on account of the Note shall be made by crediting in the form of bank wire transfer of Federal or other immediately available funds, (identifying each payment as Genuine Parts Company, 1.81% Series K Senior Notes due October 30, 2027, interest and principal), to:

Account Name: Massachusetts Mutual Life Insurance Company
Account #: 11872591
IBAN # GB72CITI18500811872591
Bank: Citibank London
SWIFT: CITIGB2L
Ref: Payment with cover under MT103
1.81% Series K Senior Notes due October 30, 2027, Cusip: 372460 D@1, principal and interest split

With advice of payment to the Treasury Operations Securities Management Department at Massachusetts Mutual Life Insurance Company at mmincometeam@massmutual.com or (413) 226-4295 (facsimile).

(2) Address for notices of payment:

Massachusetts Mutual Life Insurance Company
Treasury Operations Securities Management
1295 State Street
Springfield, MA 01111
Attn: Janelle Tarantino

With a copy to:

Massachusetts Mutual Life Insurance Company
c/o Barings LLC
1500 Main Street – Suite 2200
PO Box 15189
Springfield, MA 01115

(3) Address for other communications and notices:

Massachusetts Mutual Life Insurance Company
c/o Barings LLC
1500 Main Street – Suite 2200
PO Box 15189
Springfield, MA 01115-5189

(4) Address for electronic delivery of financials and other information:

Massachusetts Mutual Life Insurance Company
c/o Barings LLC
1500 Main Street – Suite 2200
PO Box 15189
Springfield, MA 01115-5189

With notification to:

privateplacements@barings.com
john.wheeler@barings.com

(5) Address for physical delivery of Note:

Massachusetts Mutual Life Insurance Company
1295 State Street, MIP: E415
Springfield, MA 01111
Attention: Janelle Tarantino, Treasury Operations Securities Management
Telephone: 413-744-1885
E-mail: Jtarantino@massmutual.com

With a copy to:

Michelle.kearney@barings.com
Diane.murphy@barings.com
Steve.katz@barings.com
Nancy.wood@barings.com

(6) Nominee: None

(7) Tax Identification No.: 04-1590850

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **NATIONWIDE LIFE INSURANCE COMPANY**<br>One Nationwide Plaza<br>Columbus, OH 43215-2220 | Series J<br>Series K | €30,000,000<br>€25,000,000 |

(1) All payments on account of Notes held by such Purchaser shall be made by wire transfer of immediately available funds for credit to:

Market Name: Germany
ISO Currency Code: EUR
Global Custodian BIC: IRVTBEBBXXX
Global Custodian Account Name: The Bank of New York Mellon SA/NV
Beneficiary Account Name: Nationwide Life Insurance Company
Beneficiary Account #: 2679949780
Beneficiary Account IBAN: BE78519267994086
PPN #: [Series J: 372460 D*3] [Series K: 372460 D@1]
Security Description: [1.40% Series J Senior Notes due October 30, 2024] [1.81% Series K Senior Notes due October 30, 2027]

(2) Address for notices of payment:

Nationwide Life Insurance Company
Nationwide Investments – Private Placements
One Nationwide Plaza
Mail Code 1-05-801
Columbus, OH 43215-2220
E-mail: ooinwpp@nationwide.com

(3) Address for financials, compliance reports and all other communications:

Nationwide Life Insurance Company
Nationwide Investments – Private Placements
One Nationwide Plaza
Mail Code 1-05-801
Columbus, OH 43215-2220
Email: ooinwpp@nationwide.com

(4) Address for physical delivery of Notes:

The Depository Trust Company
570 Washington Blvd – 5th Floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department
F/A/O Nationwide Life Insurance Co. Acct #267829
PPN: [Series J: 372460 D*3] [Series K: 372460 D@1]

Copy to David Simaitis: (dave.simaitis@nationwide.com)

(5) Nominee: None

(6) Tax Identification No.: 31-4156830

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY**<br>c/o Prudential Capital Group<br>1075 Peachtree Street, Suite 3600<br>Atlanta, GA 30309 | Series J | €50,000,000 |

(1) All payments on account of Notes held by such Purchaser shall be made by wire transfer of immediately available funds for credit to:

JP Morgan Chase Bank N.A., London
SWIFT Code: CHASGB2L
IBAN: GB24CHAS60924225491221
Account Name: PGF-INC-EUR
Account No.: 25491221 (please do not include spaces)

Each such wire transfer shall set forth the name of the Company, a reference to "1.40% Senior Notes, Series J, due October 30, 2024, Security No. INV07758, PPN: 372460 D*3" and the due date and application (as among principal, interest, Make-Whole Amount, etc.) of the payment being made.

All payments with respect to the Excess Leverage Fee shall be paid in U.S. Dollars.

(2) Address for all notices relating solely to scheduled principal and interest payments:

Prudential Retirement Insurance and Annuity Company
c/o PGIM, Inc.
Prudential Tower
655 Broad Street
14th Floor - South Tower
Newark, NJ 07102
Attention: PIM Private Accounting Processing Team
Email: Pim.Private.Accounting.Processing.Team@prudential.com

(3) Address for all other communications and notices:

Prudential Retirement Insurance and Annuity Company
c/o Prudential Capital Group
1075 Peachtree Street
Suite 3600
Atlanta, GA 30309
Attention: Managing Director
cc: Vice President and Corporate Counsel

(4) Address for physical delivery of Note:

PGIM, Inc.
655 Broad Street
14th Floor - South Tower
Newark, NJ 07102
Attention: Michael Iacono - Trade Management Manager

With copy to:

Michael Fierro
michael.fierro@prudential.com
(404) 870-3753

and

Private.Disbursements@Prudential.com

(5) Nominee: None

(6) Tax Identification No.: 06-1050034

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **CONNECTICUT GENERAL LIFE INSURANCE COMPANY** | Series J | €1,000,000 |
| | Series J | €3,500,000 |
| 900 Cottage Grove Rd. | Series J | €2,500,000 |
| Bloomfield, CT 06002 | Series K | €1,000,000 |
| | Series K | €2,500,000 |
| | Series K | €2,500,000 |

(1) All payments on account of Notes held by such purchaser shall be made by wire transfer of immediately available funds for credit to:

J.P Morgan AG, Frankfurt
BIC: CHASDEFX
A/C: JP Morgan Chase Bank London
BIC: CHASGB2L
F/O: CONNECTICUT GENERAL LIFE INSURANCE
IBAN: GB88CHAS60924225385503
REF: 32450

OBI= Genuine Parts Company; [1.40% Series J Senior Notes due October 30, 2024; PPN/CUSIP: 372460 D*3] [1.81% Series K Senior Notes due October 30, 2027; PPN/CUSIP: 372460 D@1]

(2) Address for all notices relating to payment:

CIG & Co.
c/o Cigna Investments, Inc.
Attention: Fixed Income Securities
Wilde Building, A5PRI
900 Cottage Grove Rd.
Bloomfield, Connecticut 06002
E-Mail: CIMFixedIncomeSecurities@Cigna.com
E-Mail: JASON.SMITH3@Cigna.com

(3) Address for all other notices:

CIG & Co.
c/o Cigna Investments, Inc.
Attention: Fixed Income Securities
Wilde Building, A5PRI
900 Cottage Grove Rd.
Bloomfield, Connecticut 06002
E-Mail: CIMFixedIncomeSecurities@Cigna.com
E-Mail: JASON.SMITH3@Cigna.com

(4) Address for physical delivery of the Notes:

J.P. Morgan Chase Bank , N.A.
4 Chase Metrotech Center
3rd Floor (for overnight or US mail)
Brooklyn, New York 11245-0001
Attn: Physical Receive Department
718-242-0264

Copy to Kari Comfry (Kari.Comfry@Cigna.com)

(5) Nominee: CIG & Co.

(6) Tax Identification No.: 13-3574027 (CIG & Co.)

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **CIGNA HEALTH AND LIFE INSURANCE COMPANY** | Series J | €12,000,000 |
| 900 Cottage Grove Rd. | Series J | €6,000,000 |
| Bloomfield, Connecticut 06002 | Series K | €11,500,000 |
| | Series K | €5,500,000 |

(1) All payments on account of Notes held by such purchaser shall be made by wire transfer of immediately available funds for credit to:

J.P Morgan AG, Frankfurt
BIC: CHASDEFX
A/C: JP Morgan Chase Bank London
BIC: CHASGB2L
F/O: Cigna Health and Life Insurance Co
IBAN: GB28CHAS60924241398276
REF: EJN05

OBI= Genuine Parts Company; [1.40% Series J Senior Notes due October 30, 2024; PPN/CUSIP: 372460 D*3] [1.81% Series K Senior Notes due October 30, 2027; PPN/CUSIP: 372460 D@1]

(2) Address for all notices relating to payment:

CIG & Co.
c/o Cigna Investments, Inc.
Attention: Fixed Income Securities
Wilde Building, A5PRI
900 Cottage Grove Rd.
Bloomfield, Connecticut 06002
E-Mail: CIMFixedIncomeSecurities@Cigna.com
E-Mail: JASON.SMITH3@Cigna.com

(3) Address for all other notices:

CIG & Co.
c/o Cigna Investments, Inc.
Attention: Fixed Income Securities
Wilde Building, A5PRI
900 Cottage Grove Rd.
Bloomfield, Connecticut 06002
E-Mail: CIMFixedIncomeSecurities@Cigna.com
E-Mail: JASON.SMITH3@Cigna.com

(4) Address for physical delivery of the Notes:

J.P. Morgan Chase Bank , N.A.
4 Chase Metrotech Center
3rd Floor (for overnight or US mail)
Brooklyn, New York 11245-0001
Attn: Physical Receive Department
718-242-0264

Copy to Kari Comfry (Kari.Comfry@Cigna.com)

(5) Nominee: CIG & Co.

(6) Tax Identification No.: 13-3574027 (CIG & Co.)

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **VOYA INSURANCE AND ANNUITY COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $5,900,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For scheduled principal and interest payments:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
For further credit to: Voya Ins and Ann Co GEN AC/Acct. 136373
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
Account No.: 1363738400
Account Name: Voya Ins and Ann Co GEN AC
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account at The Bank of New York Mellon (Voya Ins and Ann Co GEN AC/Acct. 136373) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 41-0991508

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **VOYA INSURANCE AND ANNUITY COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $2,700,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For all payments of scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
For credit to: Voya Ins and Ann Co - SLDI/Acct. 179369
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
Account No.: 1793698400
Account Name: Voya Ins and Ann Co - SLDI
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

With copy to:

The Bank of New York
Insurance Trust Dept.
101 Barclay 8 West
New York, NY 10286
Attn.: Bailey Eng
Email: Baileyeng@bankofny.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account number at The Bank of New York Mellon (VOYA Ins and Ann Co-SLDI/Acct. 179369) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 41-0991508

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **SECURITY LIFE OF DENVER INSURANCE COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $100,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For all payments of scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
Reference: A/C#: 1781658400
For further credit to: Security Life of Denver Ins – SSA / 178165
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
A/C#: 1781658400
Account Name: Security Life of Denver Ins -- SSA
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account number at The Bank of New York Mellon (Security Life of Denver Ins – SSA / 178165) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 84-0499703

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **RELIASTAR LIFE INSURANCE COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $1,300,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For all payments of scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
For further credit to: RLIC/Acct. 187035
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
Account No.: 1870358400
Account Name: RLIC
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account number at The Bank of New York Mellon (RLIC/Acct. 187035) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 41-0451140

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **RELIASTAR LIFE INSURANCE COMPANY OF NEW YORK**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $100,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For all payments of scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
For further credit to: RLNY/Acct. 187038
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
Account No.: 1870388400
Account Name: RLNY
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account number at The Bank of New York Mellon (RLNY/Acct. 187038) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 53-0242530

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series I | $9,900,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

For all payments of scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
BNF: GLA111566
Attention: Income Collection Department
For further credit to: VRIAC/Acct. 216101
Reference: CUSIP: 372460 C#0

For all payments other than scheduled principal and interest:

The Bank of New York Mellon
ABA#: 021000018 or via SWIFT IRVTUS3NAMS
Account No.: 2161018400
Account Name: VRIAC
Reference: CUSIP: 372460 C#0

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 3.70% Series I Senior Notes due October 30, 2027, PPN: 372460 C#0), and the name of the Purchaser and its account number at The Bank of New York Mellon (VOYA Retiremt Ins and Ann Co/Acct. 216101) and the following:

The contact person at the Issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 71-0294708

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **VOYA INSURANCE AND ANNUITY COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series J | €10,300,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

The Bank of New York Mellon SA NV
SWIFT: IRVTBEBBXXX
Account No: 1363739780
Account Name: Voya Insurance and Annuity Company
Reference: CUSIP: 372460 D*3

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 1.40% Series J Senior Notes due October 30, 2024, PPN: 372460 D*3), and the name of the Purchaser and its account number at The Bank of New York Mellon (Voya Insurance and Annuity Co /Acct. 1363739780) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 41-0991508

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series J | €17,300,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

The Bank of New York Mellon SA NV
SWIFT: IRVTBEBBXXX
Account No: 2161019780
Account Name: Voya Retirement Insurance and Annuity Company
Reference: CUSIP: 372460 D*3

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 1.40% Series J Senior Notes due October 30, 2024, PPN: 372460 D*3), and the name of the Purchaser and its account number at The Bank of New York Mellon (Voya Retirement Insurance and Annuity Co/Acct. 2161019780) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 71-0294708

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **SECURITY LIFE OF DENVER INSURANCE COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series J | €100,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

The Bank of New York Mellon SA NV
SWIFT: IRVTBEBBXXX
Account No: 1781659780
Account Name: Security Life of Denver Insurance Company
Reference: CUSIP: 372460 D*3

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 1.40% Series J Senior Notes due October 30, 2024, PPN: 372460 D*3), and the name of the Purchaser and its account number at The Bank of New York Mellon (Security Life of Denver Ins – SSA / 1781659780) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 84-0499703

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **RELIASTAR LIFE INSURANCE COMPANY**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series J | €2,200,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

The Bank of New York Mellon SA NV
SWIFT: IRVTBEBBXXX
Account No: 1870359780
Account Name: Reliastar Life Insurance Company
Reference: CUSIP: 372460 D*3

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 1.40% Series J Senior Notes due October 30, 2024, PPN: 372460 D*3), and the name of the Purchaser and its account number at The Bank of New York Mellon (RLIC/Acct. 1870359780) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 41-0451140

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **RELIASTAR LIFE INSURANCE COMPANY OF NEW YORK**<br>5780 Powers Ferry Road NW, Suite 300<br>Atlanta, GA 30327-4347 | Series J | €100,000 |

(1) All payments on account of Notes held by such Purchaser should be made by wire transfer of immediately available funds for credit to:

The Bank of New York Mellon SA NV
SWIFT: IRVTBEBBXXX
Account No: 1870389780
Account Name: Reliastar Life Insurance Company of New York
Reference: CUSIP: 372460 D*3

Each such wire transfer should set forth the name of the issuer, the full title (including the coupon rate, issuance date, and final maturity date) of the Notes on account of which such payment is made, and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Operations/Settlements
Email: VoyaIMCashOperations@Voya.com

(3) Address for all other communications and notices:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: Private Placements
Fax: (770) 690-5342
Email: Private.Placements@Voya.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
570 Washington Blvd - 5th floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department

with a copy to:

Voya Investment Management LLC
5780 Powers Ferry Road NW, Suite 300
Atlanta, GA 30327-4347
Attn: John Retsos
Email: John.Retsos@voya.com
and: Loris.Jakielski@voya.com
and: opssettlements@voya.com

Each cover letter accompanying the above Notes should set forth the name of the issuer, a description of the Notes (Genuine Parts Company, 1.40% Series J Senior Notes due October 30, 2024, PPN: 372460 D*3), and the name of the Purchaser and its account number at The Bank of New York Mellon (RLNY/Acct. 1870389780) and the following:

The contact person at the issuer of the Notes related to payments on the Notes is:

Name: Matt Brigham
Telephone #: 678-934-5425
E-Mail: matt_brigham@genpt.com

(5) Nominee: None

(6) Tax Identification No.: 53-0242530

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PACIFIC LIFE INSURANCE COMPANY** | Series I | $5,000,000 |
| 700 Newport Center Drive | Series I | $5,000,000 |
| Newport Beach, CA 92660-6397 | | |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

Bank: The Bank of New York Mellon
ABA: 021000018
Acct Number: GLA 111566
Acct Name: The Bank of New York Mellon – P&I Dept
FFC: Account 5966218400 – PACIFIC LIFE INS CO – GENERAL ACCOUNT
** CUSIP: 372460 C#0, 3.70% Series I Senior Notes due October 30, 2027 and P&I breakdown. **

(2) Address for notices of payments and written confirmation of such wire transfers:

The Bank of New York Mellon
Attn: Pacific Life Accounting Team
One Mellon Bank Center – Room 1130
Pittsburgh, PA 15258-0001

And

Pacific Life Insurance Company
Attn: IM – Cash Team
700 Newport Center Drive
Newport Beach, CA 92660
Fax: 949-718-5845

(3) Address for all other communications:

Pacific Life Insurance Company
Attn: IM – Credit Analysis
700 Newport Center Drive
Newport Beach, CA 92660-6397
PrivatePlacementCompliance@PacificLife.com

(4) Address for physical delivery of the Notes:

The Depository Trust Company
Attn: BNY Mellon/Branch Deposit Department
570 Washington Blvd – 5th Floor
Jersey City, NJ 07310
Account Name: PACIFIC LIFE INS CO – GENERAL ACCOUNT
Account Number: 5966218400

Copy to Jennifer Fitzpatrick (Jennifer.Fitzpatrick@PacificLife.com)

(5) Nominee: Mac & Co., as nominee for Pacific Life Insurance Company

(6) Tax Identification No.: 95-1079000

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **PACIFIC LIFE INSURANCE COMPANY** | Series K | €5,000,000 |
| 700 Newport Center Drive | Series K | €5,000,000 |
| Newport Beach, CA 92660-6397 | Series K | €5,000,000 |
| | Series K | €5,000,000 |
| | Series K | €5,000,000 |
| | Series K | €5,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

Cash Correspondent Name: Bank of New York Mellon, Frankfurt
Cash Correspondent SWIFT/BIC: IRVTDEFX
Global Custodian Name: The Bank of New York Mellon, NY
Global Custodian SWIFT/BIC: IRVTUS3NIBK
Global Custodian Account: 4686069710

FFC: Pacific Life Ins Co – General Acct – Account 5966219780
**CUSIP: 372460 D@1, 1.81% Series K Senior Notes due October 30, 2027 and P&I breakdown **

(2) Address for all notices and payments and written confirmation of such wire transfers to:

The Bank of New York Mellon
Attn: Pacific Life Accounting Team
One Mellon Bank Center – Room 1130
Pittsburgh, PA 15258-0001

And

Pacific Life Insurance Company
Attn: IM – Cash Team
700 Newport Center Drive
Newport Beach, CA 92660
Fax: 949-718-5845

(3) Address for all other communications:

Pacific Life Insurance Company
Attn: IM – Credit Analysis
700 Newport Center Drive
Newport Beach, CA 92660 -6397
PrivatePlacementCompliance@PacificLife.com

(4) Address for physical delivery of the Notes:

The Depository Trust Company
Attn: BNY Mellon/Branch Deposit Department
570 Washington Blvd – 5th Floor
Jersey City, NJ 07310
Account Name: Pacific Life Ins Co – General Acc
EUR Account Number: 5966219780

Copy to Jennifer Fitzpatrick (Jennifer.Fitzpatrick@PacificLife.com)

(5) Nominee: Mac & Co., as nominee for Pacific Life Insurance Company

(6) Tax Identification No.: 95-1079000

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **ATHENE ANNUITY AND LIFE COMPANY**<br>c/o Athene Asset Management L.P.<br>7700 Mills Civic Parkway<br>West Des Moines, IA 50266 | Series L | €20,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

Cash Account Number EUR: 14136977
Cash Correspondent SWIFT: CITIGB2L
IBAN Number: IBAN GB71 CITI 1850 0814 1369 77
Cash Wording: Please pay EUR [amount] without deduction via direct clearing linkage to Citibank N.A., London (CITIGB2L) for credit to 14136977, AAIA NON-MODCO AAM or IBAN GB71 CITI 1850 0814 1369 77

Additional reference details: Genuine Parts Company, 2.02% Series L Senior Notes due October 30, 2029, PPN: 372460 D#9 and application (as among principal, make-whole, interest, etc.) of the payment being made.

(2) Address for all notices, including financials, compliance and requests:

Preferred Remittance: privateplacements@atheneLP.com

Athene Annuity and Life Company
c/o Athene Asset Management L.P.
Attn: Private Fixed Income
7700 Mills Civic Parkway
West Des Moines, IA 50266

(3) Address for physical delivery of the Note:

Citibank NA
Attn: Keith Whyte
399 Park Ave
Level B Vault
New York, NY 10022
A/C Number: 214453

Copy to Amy Corwin (acorwin@athenelp.com)

(4) Nominee: None

(5) Tax Identification No.: 42-0175020

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **ATHENE ANNUITY AND LIFE COMPANY**<br>c/o Athene Asset Management L.P.<br>7700 Mills Civic Parkway<br>West Des Moines, IA 50266 | Series L | €10,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

Cash Account Number EUR: 14136853
Cash Correspondent SWIFT: CITIGB2L
IBAN Number: IBAN GB24 CITI 1850 0814 1368 53
Cash Wording: Please pay EUR [amount] without deduction via direct clearing linkage to Citibank N.A., London (CITIGB2L) for credit to 14136853, AALC ANNUITY or IBAN GB24 CITI 1850 0814 1368 53

Additional reference details: Genuine Parts Company, 2.02% Series L Senior Notes due October 30, 2029, PPN: 372460 D#9 and application (as among principal, make-whole, interest, etc.) of the payment being made.

(2) Address for all notices, including financials, compliance and requests:

Preferred Remittance: privateplacements@atheneLP.com

Athene Annuity and Life Company
c/o Athene Asset Management L.P.
Attn: Private Fixed Income
7700 Mills Civic Parkway
West Des Moines, IA 50266

(3) Address for physical delivery of the Note:

Citibank NA
Attn: Keith Whyte
399 Park Ave
Level B Vault
New York, NY 10022
A/C Number: 214450

Copy to Amy Corwin (acorwin@athenelp.com)

(4) Nominee: None

(5) Tax Identification No.: 42-0175020

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **THE LINCOLN NATIONAL LIFE INSURANCE COMPANY**<br>c/o Macquarie Investment Management Advisers<br>2005 Market Street, Mail Stop 41-104<br>Philadelphia, PA 19103 | Series K<br>Series K<br>Series K<br>Series K<br>Series K | €3,000,000<br>€3,000,000<br>€1,000,000<br>€6,000,000<br>€12,000,000 |

(1) Euro payments of principal and interest by wire transfer of immediately available funds to:

Instructions for EUR
Beneficiary Bank: The Bank of New York Mellon SA/NV
SWIFT/BIC: IRVTBEBB
Ultimate Beneficiary: The Lincoln National Life Insurance Company
Account Number: 2150219780
IBAN: BE27519215021073

All payments with respect to the Excess Leverage Fee shall be paid in U.S. Dollars. Such Excess Leverage Fee and any other amounts payable on U.S. Dollars shall be remitted to a separate account specified in writing by the Purchaser.

(2) Bank address for notice of payment:

The Bank of New York Mellon
P.O. Box 392003
Pittsburgh, PA 15251-9003
Attn: Private Placement P & I Dept
Ref: The Lincoln National Life Insurance Company /1.81% Series K Senior Notes due October 30, 2027/PPN#: 372460 D@1
Email: ppservicing@bnymellon.com

(3) Address for notice of payment only:

Lincoln Financial Group
1300 South Clinton Street, Mail Stop 1H-15
Fort Wayne, IN 46802
Attn E-mail: iaderivoperations@lfg.com
Attn: Rita Shuster (e-mail: rita.shuster@lfg.com)
Telephone: (260) 455-6255

(4) Address for all communication and notice of payment:

Macquarie Investment Management Advisers
2005 Market Street, Mail Stop 41-104
Philadelphia, PA 19103
Attn: Fixed Income Private Placements
Email: privateplacements@macquarie.com

(5) Address for physical delivery of the Notes:

The Depository Trust Company
570 Washington Blvd – 5th Floor
Jersey City, New Jersey 07310
Attention: BNY MELLON/BRANCH DEPOSIT DEPARTMENT
REF: [€3,000,000, The Lincoln National Life Insurance Company (Seg 62), 215730]; [€3,000,000, The Lincoln National Life Insurance Company (Seg 65), 215732]; [€1,000,000, The Lincoln National Life Insurance Company (Seg 201), 186228]; [€6,000,000, The Lincoln National Life Insurance Company (Seg 66), 215733]; [€12,000,000, The Lincoln National Life Insurance Company (Seg 76), 215736]

With Fax to: Karen Costa – The Bank of New York Mellon
Fax #: 1-844-601-7769

Copy to Deborah Hayes (Deborah.Hayes@lfg.com)

(6) Nominee: None

(7) Tax Identification No.: 35-0472300

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **UNITED OF OMAHA LIFE INSURANCE COMPANY**<br>3300 Mutual of Omaha Plaza<br>Omaha, NE 68175-1011 | Series J<br>Series M | €10,000,000<br>€10,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

JPMorgan Chase, Frankfurt
For account: JPMorgan Chase London
BIC Code: CHASGB2L (please submit a MT103 Direct Message)
Ref Account # 7786
IBAN: GB02CHAS60924223675001

(2) Address for all notices in respect of payments, corporate actions, and reorganization notifications:

JPMorgan Chase Bank
4 Chase Metrotech Center
Brooklyn, NY 11245-0001
Attn: Income Processing
a/c: G07097

(3) Address for all other communications (i.e.: quarterly/annual reports, tax filings, modifications, and waivers):

4 - Investment Management
United of Omaha Life Insurance Company
3300 Mutual of Omaha Plaza
Omaha, NE 68175-1011

Email address for electronic document transmission: privateplacements@mutualofomaha.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Account # G07097

**It is imperative that the custody account be included on the delivery letter. Without this information, the security will be returned to the sender.

Copy to Lee Martin (Lee.Martin@mutualofomaha.com)

(5) Tax Identification No.: 47-0322111

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **MUTUAL OF OMAHA INSURANCE COMPANY**<br>3300 Mutual of Omaha Plaza<br>Omaha, NE 68175-1011 | Series L | €5,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

JPMorgan Chase, Frankfurt
For account: JPMorgan Chase London
BIC Code: CHASGB2L (please submit a MT103 Direct Message)
Ref Account # AHL99
Ref Name: Mutual of Omaha Insurance Company
IBAN: GB94CHAS60924241444424

(2) Address for all notices in respect of payments, corporate actions, and reorganization notifications:

JPMorgan Chase Bank
4 Chase Metrotech Center
Brooklyn, NY 11245-0001
Attn: Income Processing
a/c: G07096

(3) Address for all other communications (i.e.: quarterly/annual reports, tax filings, modifications and waivers):

4 - Investment Management
Mutual of Omaha Insurance Company
3300 Mutual of Omaha Plaza
Omaha, NE 68175-1011

Email address for electronic document transmission: privateplacements@mutualofomaha.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank
4 Chase Metrotech Center, 3rd Floor
Brooklyn, NY 11245-0001
Attention: Physical Receive Department
Account # G07096

**It is imperative that the custody account be included on the delivery letter. Without this information, the security will be returned to the sender.

Copy to Lee Martin (Lee.Martin@mutualofomaha.com)

(6) Nominee: None

(5) Tax Identification No.: 47-0246511

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **LEGAL & GENERAL ASSURANCE SOCIETY LIMITED**<br>c/o Legal & General Investment Management<br>One Coleman Street<br>London EC2R 5AA | Series I | $20,000,000 |

(1) Payments with respect to the Note shall be made by wire transfer of immediately available funds to:

Custodian: CITI
BIC: CITIGB2LXXX
Sub Custodian BIC: CITIUS33XXX
Account Number 17190875

(2) Address for all notices of payments and written confirmations of such wire transfers:

Legal and General Investment Management
1 Coleman Street
London
EC2R 5AA
Attn: Private Credit Team

Address for electronic delivery:

LGIMPrivateCreditIGUS@lgim.com

(3) Address for all other communications:

Legal and General Investment Management
1 Coleman Street
London
EC2R 5AA
Attn: Private Credit Team
Email address : LGIMPrivateCreditIGUS@lgim.com

(4) Address for physical delivery of the Notes:

Samuel Jones
c/o Private Credit Legal
One Coleman Street
London EC2R 5AA

(5) Nominee: None

(6) Tax Identification No.: 98-0069969

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **AXA EQUITABLE LIFE INSURANCE COMPANY**<br>C/O AllianceBernstein LP<br>1345 Avenue of the Americas, 38th Floor<br>New York, New York 10105 | Series I | $9,000,000 |

(1) All payments shall be made by wire transfer of immediately available funds to:

JP Morgan Chase
Account (s): AXA Equitable Life Insurance Company
4 Chase Metrotech Center
Brooklyn, New York 11245
ABA No.: 021-000021
Bank Account: 037-2-417394
Custody Account: G05476

Each such wire shall show the name of the Company, the Private Placement Number: 372460 C#0, the due date of the payment being made and, if such payment is a final payment.

(2) Address for notices of payment and written confirmations:

AXA Equitable Life Insurance Company
C/O AllianceBernstein LP
1345 Avenue of the Americas, 37th Floor
New York, New York 10105
Attention: Cosmo Valente / Angel Salazar / Mei Wong
Telephone #: 212- 969-6384 / 212-823-2873 / 212-969-2112
Email: cosmo.valente@abglobal.com
angel.salazar@abglobal.com
mei.wong@abglobal.com

(3) Address for all other communications:

AXA Equitable Life Insurance Company
C/O AllianceBernstein LP
1345 Avenue of the Americas, 38th Floor
New York, New York 10105
Attention: Monique Meany
Telephone #: 212- 823-2758
Group Email: ABPPCompliance@abglobal.com
Email: monique.meany@abglobal.com

(4) Address for physical delivery of Note:

AXA Equitable Life Insurance Company
525 Washington Blvd., 34th Floor
Jersey City, New Jersey 07310
Attention: Lynn Garofalo
Telephone Number: (201) 743-6634

Copy to Rekasha A. Robinson-McLymont (Rekasha.A.Robinson-McLymont@axa.us.com)

(5) Nominee: None

(6) Tax Identification No.: 13-557-0651

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **AXA EQUITABLE LIFE INSURANCE COMPANY**<br>C/O AllianceBernstein LP<br>1345 Avenue of the Americas, 38th Floor<br>New York, New York 10105 | Series I | $3,000,000 |

(1) All payments shall be made by wire transfer of immediately available funds to:

JP Morgan Chase
Account (s): AXA Equitable Life Insurance Company
4 Chase Metrotech Center
Brooklyn, New York 11245
ABA No.: 021-000021
Bank Account: 910-2-785251
Custody Account: G07126

Each such wire shall show the name of the Company, the Private Placement Number: 372460 C#0, the due date of the payment being made and, if such payment is a final payment.

(2) Address for notices of payment and written confirmations:

AXA Equitable Life Insurance Company
C/O AB Global
1345 Avenue of the Americas
37th Floor
New York, New York 10105
Attention: Cosmo Valente Angel Salazar / Mei Wong
Telephone: 212/969-6384 / 212-969-2491 / 212-969-2112
Email: cosmo.valente@abglobal.com
angel.salazar@abglobal.com
mei.wong@abglobal.com

(3) Address for all other communications:

AXA Equitable Life Insurance Company
C/O AB Global
1345 Avenue of the Americas
37th Floor
New York, NY 10105
Attention: Monique Meany
Telephone: 212- 823-2758
Email: monique.meany@abglobal.com
Group Email: ABPPCompliance@abglobal.com

(4) Address for physical delivery of Note:

AXA Equitable Life Insurance Company
525 Washington Blvd.; 34th Floor
Jersey City, New Jersey 07310
Attention: Lynn Garofalo
Telephone Number: 201-743-6634

Copy to Rekasha A. Robinson-McLymont (Rekasha.A.Robinson-McLymont@axa.us.com)

(5) Nominee: None

(6) Tax Identification No.: 13-557-0651

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **USAA LIFE INSURANCE COMPANY**<br>9800 Fredericksburg Road<br>San Antonio, TX 78288 | Series I | $12,000,000 |

(1) All payments on account of Notes held by such Purchaser shall be made by wire transfer of immediately available funds for credit to:

Northern Chgo/Trust
ABA#071000152
Credit Wire Account # 5186061000
26-11042/ Life Company

With sufficient information to identify the source and application of such funds, including the issuer name, the PPN: 372460 C#0 of the issue, interest rate, payment due date, maturity date, interest amount, principal and other amount.

(2) Address for notices relating to payments:

Ell & Co
c/o Northern Trust Company
PO Box 92395
Chicago, IL 60675-92395
Attn: Income Collections
Please include: the Cusip: 372460 C#0/shares/par for the dividend/interest payment

(3) Address for all other communications:

John Spear
VP Insurance Portfolios
9800 Fredericksburg Road
San Antonio, TX 78288
(210) 498-8661
Email: PRIVATE_PLACEMENTS@usaa.com

(4) Address for physical delivery of the Note:

Depository Trust & Clearing Corporation
Newport Office Center
570 Washington Blvd.
5th Floor
Jersey City, NJ 07310
Attn: Tanya Stackhouse-Bowen or Robert Mendez
Reference: Northern Trust Account # 26-11042/ Life Company
Tel: 212-855-2484

(5) Nominee: ELL & CO.

(6) Tax Identification No: 74-1472662

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **THRIVENT FINANCIAL FOR LUTHERANS**<br>625 Fourth Avenue South<br>Minneapolis, MN 55415 | Series I | $11,000,000 |

(1) Payments on the note(s) shall be made in immediately available funds by wire transfer to the following bank account:

ABA # 011000028
State Street Bank & Trust Co.
DDA # A/C – 6813-049-1
Fund Number: NCE1
Fund Name: Thrivent Financial for Lutherans

With the following information:

Security Description: 3.70% Series I Senior Notes due October 30, 2027 of Genuine Parts Company
Private Placement Number: 372460 C#0
Reference Purpose of Payment:
Include breakdown among interest and/or Principal and/or other amount

(2) Address for notices of payments and written confirmation of such wire transfers:

Investment Division-Private Placements
Attn: Martin Rosacker
Thrivent Financial for Lutherans
625 Fourth Avenue South
Minneapolis, MN 55415
Fax: (612) 844-4027
Email: privateinvestments@thrivent.com

With a copy to:

Attn: Jeremy Anderson or Harmon Bergenheier
Thrivent Financial for Lutherans
625 Fourth Avenue South
Minneapolis, MN 55415
Email: boxprivateplacement@thrivent.com

(3) Address for all other communications:

Thrivent Financial for Lutherans
Attn: Investment Division-Private Placements
625 Fourth Avenue South
Minneapolis, MN 55415
Fax: (612) 844-4027
Email: privateinvestments@thrivent.com

(4) Address for physical delivery of the Notes:

DTCC
Newport Office Center
570 Washington Blvd
Jersey City, NJ 07310
Attn: 5th floor / NY Window / Robert Mendez
Ref: State Street Account
Fund Name: Thrivent Financial for Lutherans
Fund Number: NCE1

Copy to Lisa Corbin (lisa.corbin@thrivent.com)

(5) Nominee: None

(6) Tax Identification No.: 39-0123480

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **GENWORTH LIFE INSURANCE COMPANY**<br>3001 Summer Street, 4th Floor<br>Stamford, CT 06905 | Series I | $10,000,000 |

(1) All payment on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds to:

Bank of New York
ABA#: 021000018
Account #: GLA111566
SWIFT Code: IRVTUS3N
Acct Name: Income Collection Dept
Attn: Income Collection Department
Reference: GLIC/LILTCNEW
Account #: 364781
CUSIP/PPN: 372460 C#0, 3.70% Series I Senior Notes due October 30, 2027, Identify Principal, interest and other amounts
And by Email: treasppbkoffice@genworth.com
Fax: (804) 662-7777

(2) Address for notices with respect to corporate actions, including payments and prepayments and written confirmation of each such payment or prepayment, including interest payment and prepayment, redemptions, premiums, make wholes, and fees:

Genworth Financial, Inc.
Account: Genworth Life Insurance Company
3001 Summer Street, 4th Floor
Stamford, CT 06905
Attn: Private Placements
Telephone No.: (203) 708-3300
Fax No.: (203) 708-3308

With electronic copy, if available to: GNWInvestmentsOperations@genworth.com

Additional copy to:

The Depository Trust Co
Income Collection Department
P.O. Box 19266
Newark, NJ 07195
Attn: Income Collection Department
Ref: GLIC LILTCNEW Account 364781; CUSIP/PPN: 372460 C#0, 3.70% Series I Senior Notes due October 30, 2027
Contact: Purisima Teylan – (718) 315-3035

(3) Address for all other notices and communications including original note agreement, conformed copy of the note agreement, amendment requests, financial statements and other general information to:

Genworth Financial, Inc.
Account: Genworth Life Insurance Company
3001 Summer Street, 4th Floor
Stamford, CT 06905
Attn: Private Placements
Telephone No.: (203) 708-3300
Fax No.: (203) 708-3308

With electronic copy, if available to: GNW.privateplacements@genworth.com

(4) Address for physical delivery of the Note:

The Depository Trust Co
570 Washington Blvd
BNY Mellon/Branch Deposit Dept 5th FLR
Jersey City, NJ 07310
Ref: GLIC/LILTCNEW Account # 364781

Copy to Michael Shepherd (Michael.Shepherd@genworth.com)

(5) Nominee: HARE & CO., LLC

(6) Tax Identification No.: 91-6027719

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **AMERICAN UNITED LIFE INSURANCE COMPANY**<br>One American Square, Suite 1017<br>Post Office Box 368<br>Indianapolis, IN 46206 | Series I | $5,000,000 |

(1) Payment of principal and interest on the note(s) shall be made in immediately available funds by wire transfer to the following bank account:

Bank of New York
ABA #: 021000018
Credit Account: GLA111566
Account Name: American United Life Insurance Company
Account #: 186683
P & I, etc. Breakdown: (Insert)
Re: (CUSIP/PPN: 372460 C#0 and Genuine Parts Company)

Payments should contain sufficient information to identify the breakdown of principal, interest, etc. and should identify the full description of the note(s) and the payment date.

(2) Address for all notices:

American United Life Insurance Company
Attn: Mike Bullock, Securities Department
One American Square, Suite 1017
Post Office Box 368
Indianapolis, IN 46206
mike.bullock@oneamerica.com

(3) Address for physical delivery of Notes:

The Depository Trust Company
Attn: BNY Mellon/Branch Deposit Dept.
Acct # 186683 American United Life Ins. Co.
570 Washington Blvd. – 5th Floor
Jersey City, NJ 07310

Copy to Mike Bullock (mike.bullock@oneamerica.com)

(4) Nominee: None

(5) Tax Identification No.: 35-0145825

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **THE STATE LIFE INSURANCE COMPANY**<br>One American Square, Suite 1017<br>Post Office Box 368<br>Indianapolis, IN 46206 | Series I | $5,000,000 |

(1) Payment of principal and interest on the note(s) shall be made in immediately available funds by wire transfer to the following bank account:

Bank of New York
ABA #: 021000018
Credit Account: GLA111566
Account Name: The State Life Insurance Company
Account #: 343761
P & I, etc. Breakdown: (Insert)
Re: (CUSIP/PPN: 372460 C#0 and Genuine Parts Company)

Payments should contain sufficient information to identify the breakdown of principal, interest, etc. and should identify the full description of the note(s) and the payment date.

(2) Address for all post-closing notices:

American United Life Insurance Company
Attn: Mike Bullock, Securities Department
One American Square, Suite 1017
Post Office Box 368
Indianapolis, IN 46206
mike.bullock@oneamerica.com

(3) Address for physical delivery of Notes:

The Depository Trust Company
Attn: BNY Mellon/Branch Deposit Dept.
Acct # 343761 State Life, c/o AUL
570 Washington Blvd. – 5th Floor
Jersey City, NJ 07310

With copy to Mike Bullock (mike.bullock@oneamerica.com)

(4) Nominee: None

(5) Tax Identification No.: 35-0684263

| NAME AND ADDRESS OF PURCHASER | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **CUMIS INSURANCE SOCIETY, INC.**<br>DS-PrivatePlacements@cunamutual.com | Series I | $3,000,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds:

ABA: 011000028
Bank: State Street Bank
Account Name: CUMIS INSURANCE SOCIETY, INC.
DDA #: 1658-736-2
Reference Fund: ZT1i
Nominee Name: TURNJETTY & CO
CUMIS Insurance Society, Inc. Tax ID#: 39-0972608
TURNJETTY & CO Tax ID#: 02-0558136

(2) Address for all notices of payment, wires, audit confirmation, compliance and financials:

DS-PrivatePlacements@cunamutual.com

(3) Address for all legal communication to:

DS-PrivatePlacements@cunamutual.com
Paul.Barbato@cunamutual.com

(4) Address for physical delivery of the Note:

DTCC
Newport Office Center
570 Washington Blvd
Jersey City, NJ 07310
5th Floor/NY Window/Robert Mendez
FBO: State Street Bank &Trust for ZT1i

(5) Nominee: TURNJETTY & CO

(6) Tax Identification No.: 39-0972608 (CUMIS Insurance Society, Inc.) & 02-0558136
(TURNJETTY & CO)

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **CMFG LIFE INSURANCE COMPANY**<br>DS-PrivatePlacements@cunamutual.com | Series K | €5,000,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds:

BIC: SBOSGB2XXXX
Bank: State Street Bank
Account Number: ZT1EEUR01
Account Name: CMFG Life Insurance Company
REFERENCE FUND: ZT1E
Nominee Name: TURNKEYS & CO
CMFG Life Insurance Company TAX ID#: 39-0230590
TURNKEYS & CO TAX ID#: 03-0400481
*Please do not use nominee name in jurisdiction where withholding tax problem.
UK Passport Treaty #: 13/C/312672/DTTP

(2) Address for all notices of payment, wires, audit confirmation, compliance and financials:

DS-PrivatePlacements@cunamutual.com

(3) Address for all legal communication:

DS-PrivatePlacements@cunamutual.com
Paul.Barbato@cunamutual.com

(4) Address for physical delivery of the Note:

DTCC
Newport Office Center
570 Washington Blvd
Jersey City, NJ 07310
5th Floor/NY Window/Robert Mendez
FBO: State Street Bank &Trust for ZT1E

(5) Nominee: TURNKEYS & CO

(6) Tax Identification No.: 39-0230590 (CMFG Life Insurance Company.) & 03-0400481 (TURNKEYS & CO)

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **AMERICAN EQUITY INVESTMENT LIFE INSURANCE COMPANY**<br>6000 Westown Parkway<br>West Des Moines, IA 50266 | Series I | $7,000,000 |

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds:

Bank Name: State Street Bank & Trust Company
Bank BIC/SWIFT Code SBOSUS3CXXX
ABA Routing #: 011000028
Account Number: 00076026
Account Name: American Equity Investment Life Insurance Company (BEV3)
Reference Info: (See instructions below)

With sufficient information to identify the source and application of such funds including PPN#: 372460 C#0, security description, interest rate, maturity date and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) All notices and communications (other than payment and legal):

American Equity Investment Life Insurance Company
Investment-Private Placements
6000 Westown Parkway
West Des Moines, IA 50266
Attention: Compliance Monitoring
Email: Compliance.PrivatePlacements@American-Equity.com

(3) All notices and communications (legal):

American Equity Investment Life Insurance Company
Investment-Private Placements
6000 Westown Parkway
West Des Moines, IA 50266
Attention: Legal Monitoring
Email: Legal.PrivatePlacements@American-Equity.com

(4) All notices and communications regarding payment transactions (payment):

Email: AssetAdmin.PrivatePlacements@American-Equity.com
Attention: Mark Kooienga
Phone (515) 273-3576

(5) Address for Audit Requests:

Soft copy to: AuditConfirms.PrivatePlacements@American-Equity.com

Hard copy to:

American Equity Investment Life Insurance Company
Investment-Private Placements
6000 Westown Parkway
West Des Moines, IA 50266
Attention: AuditConfirms

(6) Address for physical delivery of Note:

Depository Trust and Clearing Corporation
Newport Office Center
570 Washington Blvd
Jersey City, NJ 07310
5th Floor (NY Window-Robert Mendez)
FBO: State Street Bank & Trust Company for account BEV3
Ref: PPN: 372460 C#0, 3.70% Series I Senior Notes due October 30, 2027

Copy to Jeff Fossell (jfossell@american-equity.com)

(7) Nominee: Chimefish & Co

(8) Tax Identification No.: 65-1186810 (Chimefish & Co) and 42-1153896 (American Equity Investment Life Insurance Company)

| Name and Address of Purchaser | Tranche | Principal Amount of Notes to be Purchased |
|---|---|---|
| **MODERN WOODMEN OF AMERICA**<br>1701 First Avenue<br>Rock Island, IL 61201 | Series I | $5,000,000 |

(1) All payments on account of Notes held by such Purchaser shall be made by wire transfer of immediately available funds for credit to:

The Northern Trust Company
50 South LaSalle Street
Chicago, IL 60675
ABA No. 071-000-152
Account Name: Modern Woodmen of America
Account No. 84352

Each such wire transfer shall set forth the name of the Company, the full title (3.70% Series I Senior Notes due October 30, 2027) of the Notes, a reference to PPN No.: 372460 C#0 and the due date and application (as among principal, premium, interest, etc.) of the payment being made.

(2) Address for all notices relating to payments:

Modern Woodmen of America
Attn: Investment Accounting Department
1701 First Avenue
Rock Island, IL 61201
Fax: (309) 793-5688

(3) Address for all other communications and notices:

Modern Woodmen of America
Attn: Investment Department
1701 First Avenue
Rock Island, IL 61201
investments@modern-woodmen.org
Fax: (309) 793-5574

(4) Address for physical delivery of the Note:

Modern Woodmen of America
Attn: Doug Pannier
1701 First Avenue
Rock Island, IL 61201

(5) Nominee: None

(6) Tax Identification No.:36-1493430

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**CHANGES IN CORPORATE STRUCTURE**

None.

SCHEDULE 4.9
(to Note Purchase Agreement)

**DISCLOSURE MATERIALS**

None.

SCHEDULE 5.3
(to Note Purchase Ageement)

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## SUBSIDIARIES OF THE COMPANY AND OWNERSHIP OF SUBSIDIARY STOCK

| Name | % Owned | Jurisdiction of Incorporation |
|---|---|---|
| BALKAMP, INC. | 100.0% | INDIANA |
| EIS, INC. | 100.0% | GEORGIA |
| EIS DOMINICAN REPUBLIC, LLC | 100.0% | GEORGIA |
| GPC FINANCE COMPANY | 100.0% | DELAWARE |
| GPC PROCUREMENT COMPANY | 100.0% | GEORGIA |
| NATIONAL AUTOMOTIVE PARTS ASSOCIATION | 100.0% | MICHIGAN |
| MOTION INDUSTRIES, INC. | 100.0% | DELAWARE |
| S.P. RICHARDS COMPANY | 100.0% | GEORGIA |
| SPR PROCUREMENT COMPANY | 100.0% | GEORGIA |
| SHUSTER CORPORATION | 100.0% | GEORGIA |
| 1ST CHOICE AUTO PARTS, INC. | 51.0% | GEORGIA |
| GPC MEXICO, S.A. de C.V. | 100.0% | PUEBLA, MEXICO |
| GRUPO AUTO TODO S.A. de C.V. | 100.0% | PUEBLA, MEXICO |
| COMSERES de MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, JALISCO, MEXICO |
| EIS HOLDINGS (CANADA) INC. | 100.0% | BRITISH COLUMBIA, CANADA |
| POLIFIBRA CANADA (1987) INC. | 100.0% | ONTARIO, CANADA |
| MOTION INDUSTRIES (CANADA), INC. | 100.0% | OTTAWA, ONTARIO |
| MOTION — MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, MEXICO |
| S. P. RICHARDS CO. CANADA INC. | 100.0% | BRITISH COLUMBIA, CANADA |
| UAP INC. | 100.0% | QUEBEC, CANADA |
| GARANAT INC. | 100.0% | FEDERAL, CANADA |
| UAPRO INC. | 100.0% | FEDERAL, CANADA |
| UNITED AUTO PARTS (Eastern) LTD. | 100.0% | ONTARIO, CANADA |
| SERVICES FINANCIERS UAP INC. | 100.0% | QUEBEC, CANADA |
| WTC PARTS CANADA | 100.0% | FEDERAL, CANADA |
| PIECES DE CAMION DE LA BEAUCE | 90.0% | QUEBEC, CANADA |
| GPC GLOBAL SOURCING LIMITED | 100.0% | HONG KONG, CHINA |
| GENUINE PARTS SOURCING (SHENZHEN) COMPANY LIMITED | 100.0% | SHENZHEN, CHINA |
| ALTROM CANADA CORP. | 100.0% | BRITISH COLUMBIA, CANADA |
| EIS-GPC SERVICIOS de MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, JALISCO, MEXICO |
| MOTOR PARTS OF CARROLL COUNTY, INC. | 75.8% | MARYLAND |
| POTOMAC AUTO PARTS, INC. | 79.0% | MARYLAND |
| REISTERSTOWN AUTO PARTS, INC. | 79.0% | MARYLAND |
| WILLIAMSPORT AUTOMOTIVE, INC. | 79.0% | PENNSYLVANIA |
| AST BEARINGS LLC | 100.0% | DELAWARE |
| GPC GLOBAL HOLDINGS B.V. | 100.0% | AMSTERDAM, THE NETHERLANDS |
| GPC ASIA PACIFIC HOLDINGS COOPERATIEF U.A. | 100.0% | AMSTERDAM, THE NETHERLANDS |
| GPC ASIA PACIFIC HOLDINGS PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| GPC ASIA PACIFIC ACQUISITION CO PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| GPC ASIA PACIFIC GROUP PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| GPC ASIA PACIFIC PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| GPC ASIA PACIFIC LIMITED | 100.0% | NEW ZEALAND |
| AUTOPARTES NAPA MEXICO, S. de R.L. de C.V. | 100.0% | PUEBLA, MEXICO |
| SUPPLY SOURCE ENTERPRISES, INC. | 100.0% | GEORGIA |
| IMPACT PRODUCTS LLC | 100.0% | DELAWARE |
| GPIC LLC | 100.0% | GEORGIA |
| GPIC CANADA LP | 100.0% | ALBERTA, CANADA |
| GPC ASIA PACIFIC LLC | 100.0% | GEORGIA |

SCHEDULE 5.4
(to Note Purchase Agreement)

| | |
|---|---|
| THE SAFETY ZONE, LLC | 100.0% CONNECTICUT |
| THE SAFETY ZONE (CANADA), ULC | 100.0% NOVA SCOTIA, CANADA |
| GPC ASIA PACIFIC INDUSTRIAL HOLDINGS PTY LTD | 100.0% AUSTRALIA |
| GPC EUROPE ACQUISITION CO. LIMITED | 100.0% UNITED KINGDOM |

Schedule 5.4-2

**FINANCIAL STATEMENTS**

1. Consolidated balance sheets of the Company and its Subsidiaries as at December 31, 2013, December 31, 2014, December 31, 2015 and December 31, 2016 and consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries for each fiscal year ending on such dates, all reported on by the Company's independent certified public accountants.

2. Consolidated balance sheets of the Company and its Subsidiaries as at March 31, 2017 and June 30, 2017 and consolidated statements of income and cash flows of the Company and its Subsidiaries for each fiscal quarter ending on such dates for the portion of the fiscal year ending as at the last day of each such fiscal quarter.

SCHEDULE 5.5
(to Note Purchase Agreement)

**EXISTING INDEBTEDNESS**

**(as of October 30, 2017)**

| **Private Debt** | **Obligor** | **Due Date** | **Amount** | **Collateral** | **Guaranteed** | **Drawn Amounts** |
|---|---|---|---|---|---|---|
| Series F | Genuine Parts Company | December 2, 2023 | $250,000,000 | None | No | $250,000,000.00 |
| Series G | Genuine Parts Company | July 29, 2021 | $50,000,000 | None | No | $50,000,000.00 |
| Series H | Genuine Parts Company | November 30, 2026 | $250,000,000 | None | No | $250,000,000.00 |
| Amended and Restated Syndicated Facility Agreement | Genuine Parts Company | October 30, 2022 | $2,600,000,000 | None | No | $1,950,000,000.00 |
| Syndicated Facility Agreement | Coler GmbH & Co. KG | June 30, 2019 | €60,000,000 | Assets of Coler GmbH & Co. KG | Guaranteed by Alliance Automotive Germany GmbH | €17,000,000.00 |
| Guarantees | Genuine Parts Company | | $499,207,052.93 | None | N/A | $499,207,052.93 |

SCHEDULE 5.15
(to Note Purchase Ageement)

**ORIGINAL SWAP AGREEMENTS**

**1. The Northwestern Mutual Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.685% semiannually 30/360 unadjusted

Size: €80,000,000 v. U.S.$94,144,000 initial and final exchange.

**2. The Northwestern Mutual Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.896% semiannually 30/360 unadjusted

Size: €21,000,000 v. U.S.$24,712,800 initial and final exchange.

**3. The Northwestern Mutual Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.99825% semiannually 30/360 unadjusted

Size: €25,000,000 v. U.S.$29,435,000 initial and final exchange.

**4. The Northwestern Mutual Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 4.175% semiannually 30/360 unadjusted

Size: €25,000,000 v. U.S.$29,435,000 initial and final exchange.

SCHEDULE 8.6(B)
(to Note Purchase Agreement)

**1. Metropolitan Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.90% semiannually 30/360 unadjusted, following

Size: €13,700,000 v. U.S.$16,127,640 initial and final exchange.

**2. Metropolitan Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.00% semiannually 30/360 unadjusted, following

Size: €21,800,000 v. U.S.$25,662,960 initial and final exchange.

**3. Metropolitan Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.06% semiannually 30/360 unadjusted, following

Size: €21,800,000 v. U.S.$25,662,960 initial and final exchange.

**4. MetLife KK**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.735% semiannually 30/360 unadjusted, following

Size: €17,800,000 v. U.S.$26,753,400 initial and final exchange.

**5. MetLife KK**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.905% semiannually 30/360 unadjusted, following

Size: €17,900,000 v. U.S.$21,064,720 initial and final exchange.

**6. MetLife KK**

Effective Date: October 30, 2017

Termination Date: October 30, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.966% semiannually 30/360 unadjusted, following

Size: €17,800,000 v. U.S.$26,753,400 initial and final exchange.

**7. MetLife KK**

Effective Date: October 30, 2017

Termination Date: October 30, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.06% semiannually 30/360 unadjusted, following

Size: €17,900,000 v. U.S.$21,064,720 initial and final exchange.

**8. Brighthouse Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.90% semiannually 30/360 unadjusted, following

Size: €5,900,000 v. U.S.$6,945,480 initial and final exchange.

**9. Brighthouse Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.00% semiannually 30/360 unadjusted, following

Size: €6,100,000 v. U.S.$7,180,920 initial and final exchange.

**10. Brighthouse Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.1675% semiannually 30/360 unadjusted, following

Size: €6,100,000 v. U.S.$7,180,920 initial and final exchange.

**1. Massachusetts Mutual Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.902% semiannually 30/360 unadjusted

Size: €100,000,000 v. U.S.$117,680,000 initial and final exchange.

**1. Nationwide Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.6717% semiannually 30/360 unadjusted, following

Size: €30,000,000 v. U.S.$35,328,000 initial and final exchange.

**2. Nationwide Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.8929% semiannually 30/360 unadjusted, following

Size: €25,000,000 v. U.S.$29,440,000 initial and final exchange.

**1. Prudential Retirement Insurance and Annuity Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.61% semiannually 30/360 unadjusted

Size: €50,000,000 v. U.S.$58,850,000 initial and final exchange.

**1. Connecticut General Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.663% semiannually 30/360 unadjusted, following

Size: €7,000,000 v. U.S.$8,240,400 initial and final exchange.

**2. Connecticut General Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.8875% semiannually 30/360 unadjusted, following

Size: €6,000,000 v. U.S.$7,065,000 initial and final exchange.

**3. CIGNA Health and Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.663% semiannually 30/360 unadjusted, following

Size: €18,000,000 v. U.S.$21,189,600 initial and final exchange.

**4. CIGNA Health and Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.8875% semiannually 30/360 unadjusted, following

Size: €17,000,000 v. U.S.$20,017,500 initial and final exchange.

**1. Voya Retirement Insurance and Annuity Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.678% semiannually 30/360 unadjusted

Size: €17,300,000 v. U.S.$20,374,210 initial and final exchange.

**2. Voya Insurance and Annuity Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.678% semiannually 30/360 unadjusted

Size: €10,300,000 v. U.S.$12,130,310 initial and final exchange.

**3. ReliaStar Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.678% semiannually 30/360 unadjusted

Size: €2,200,000 v. U.S.$2,590,940 initial and final exchange.

**4. ReliaStar Life Insurance Company of New York**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.678% semiannually 30/360 unadjusted

Size: €100,000 v. U.S.$117,770 initial and final exchange.

**5. Security Life of Denver Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.678% semiannually 30/360 unadjusted

Size: €100,000 v. U.S.$117,770 initial and final exchange.

**1. Pacific Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: November 1, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.8900% semiannually 30/360 unadjusted, following

Size: €30,000,000 v. U.S.$35,322,000 initial and final exchange.

**1. Athene Annuity and Life Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.020% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.998% semiannually 30/360 unadjusted, following

Size: €15,000,000 v. U.S.$17,647,500 initial and final exchange.

**2. Athene Annuity and Life Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.020% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 4.001% semiannually 30/360 unadjusted, following

Size: €15,000,000 v. U.S.$17,658,000 initial and final exchange.

**1. The Lincoln National Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.810% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.90400% semiannually 30/360 unadjusted, following

Size: €25,000,000 v. U.S.$29,425,000 initial and final exchange.

**1. Mutual of Omaha Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2029

Purchaser pays Euros fixed 2.02% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.9975% semiannually 30/360 unadjusted

Size: €5,000,000 v. U.S.$5,889,000 initial and final exchange.

**2. United of Omaha Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2024

Purchaser pays Euros fixed 1.40% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 3.672% semiannually 30/360 unadjusted

Size: €10,000,000 v. U.S.$11,778,000 initial and final exchange.

**3. United of Omaha Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: November 1, 2032

Purchaser pays Euros fixed 2.32% semiannually 30/360 unadjusted; Purchaser receives U.S. Dollars fixed 4.16% semiannually 30/360 unadjusted

Size: €10,000,000 v. U.S.$11,778,000 initial and final exchange.

**1. CMFG Life Insurance Company**

Effective Date: October 30, 2017

Termination Date: October 30, 2027

Purchaser pays Euros fixed 1.81% semiannually 30/360 unadjusted, following; Purchaser receives U.S. Dollars fixed 3.9025% semiannually 30/360 unadjusted, following

Size: €5,000,000 v. U.S.$5,887,500 initial and final exchange.

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**FORM OF SERIES I NOTE**

**GENUINE PARTS COMPANY**

**3.70% SERIES I SENIOR NOTE DUE OCTOBER 30, 2027**

No. RI -___ _____ __, 20
U.S.$_____ PPN: 372460 C#0

FOR VALUE RECEIVED, the undersigned, GENUINE PARTS COMPANY (herein called the "**Company**"), a corporation organized and existing under the laws of the State of Georgia, hereby promises to pay to _____, or registered assigns, the principal sum of _____ U.S. DOLLARS (U.S.$_____) (or so much thereof as shall not have been paid) on October 30, 2027 (the "**Maturity Date**"), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the rate of 3.70% per annum from the date hereof, payable semiannually on April 30 and October 30 of each year, commencing with the April 30 or October 30 next succeeding the date hereof, and on the Maturity Date, until the principal amount hereof shall have become due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest and (ii) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Excess Leverage Fee or Make-Whole Amount, at a rate per annum from time to time equal to the greater of (1) 5.70% or (2) 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. from time to time in New York, New York as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, and interest on, and any Excess Leverage Fee or Make-Whole Amount payable with respect to, this Note are to be made in lawful money of the United States of America to the registered holder hereof at the address shown in the register maintained by the Company for such purpose or at such other place as the holder hereof shall designate to the Company in writing.

This Note is one of a series of Senior Notes (herein called the "**Notes**") issued pursuant to a Note Purchase Agreement, dated as of October 30, 2017 (as amended from time to time, the "**Note Purchase Agreement**"), among the Company and the Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representations set forth in Section 6 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

As provided in the Note Purchase Agreement, this Note is subject to prepayment, in whole or from time to time in part, on the terms specified in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written

instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

**THIS NOTE AND THE NOTE PURCHASE AGREEMENT ARE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD PERMIT THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.**

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

EXHIBIT 1(I)-2

**FORM OF SERIES J NOTE**

**GENUINE PARTS COMPANY**

**1.40% SERIES J SENIOR NOTE DUE OCTOBER 30, 2024**

No. RJ -___ _____ __, 20
€_____ PPN: 372460 D*3

FOR VALUE RECEIVED, the undersigned, GENUINE PARTS COMPANY (herein called the "**Company**"), a corporation organized and existing under the laws of the State of Georgia, hereby promises to pay to _____, or registered assigns, the principal sum of _____ EUROS (€_____) (or so much thereof as shall not have been paid) on October 30, 2024 (the "**Maturity Date**"), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the rate of 1.40% per annum from the date hereof, payable semiannually on April 30 and October 30 of each year, commencing with the April 30 or October 30 next succeeding the date hereof, and on the Maturity Date, until the principal amount hereof shall have become due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest and (ii) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Excess Leverage Fee, Make-Whole Amount or Net Loss, at a rate per annum from time to time equal to the greater of (1) 3.40% or (2) 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. from time to time in Frankfurt, Germany as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, and interest on, and any Excess Leverage Fee, Make-Whole Amount or Net Loss payable with respect to, this Note are to be made in Euros to the registered holder hereof at the address shown in the register maintained by the Company for such purpose or at such other place as the holder hereof shall designate to the Company in writing.

This Note is one of a series of Senior Notes (herein called the "**Notes**") issued pursuant to a Note Purchase Agreement, dated as of October 30, 2017 (as amended from time to time, the "**Note Purchase Agreement**"), among the Company and the Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representations set forth in Section 6 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

As provided in the Note Purchase Agreement, this Note is subject to prepayment, in whole or from time to time in part, on the terms specified in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly

authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount and Net Loss) and with the effect provided in the Note Purchase Agreement.

**THIS NOTE AND THE NOTE PURCHASE AGREEMENT ARE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD PERMIT THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.**

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

EXHIBIT 1(J)-2

**FORM OF SERIES K NOTE**

**GENUINE PARTS COMPANY**

**1.81% SERIES K SENIOR NOTE DUE OCTOBER 30, 2027**

No. RK -___ _____ __, 20
€_____ PPN: 372460 D@1

FOR VALUE RECEIVED, the undersigned, GENUINE PARTS COMPANY (herein called the "**Company**"), a corporation organized and existing under the laws of the State of Georgia, hereby promises to pay to _____, or registered assigns, the principal sum of _____ EUROS (€_____) (or so much thereof as shall not have been paid) on October 30, 2027 (the "**Maturity Date**"), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the rate of 1.81% per annum from the date hereof, payable semiannually on April 30 and October 30 of each year, commencing with the April 30 or October 30 next succeeding the date hereof, and on the Maturity Date, until the principal amount hereof shall have become due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest and (ii) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Excess Leverage Fee, Make-Whole Amount or Net Loss, at a rate per annum from time to time equal to the greater of (1) 3.81% or (2) 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. from time to time in Frankfurt, Germany as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, and interest on, and any Excess Leverage Fee, Make-Whole Amount or Net Loss payable with respect to, this Note are to be made in Euros to the registered holder hereof at the address shown in the register maintained by the Company for such purpose or at such other place as the holder hereof shall designate to the Company in writing.

This Note is one of a series of Senior Notes (herein called the "**Notes**") issued pursuant to a Note Purchase Agreement, dated as of October 30, 2017 (as amended from time to time, the "**Note Purchase Agreement**"), among the Company and the Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representations set forth in Section 6 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

As provided in the Note Purchase Agreement, this Note is subject to prepayment, in whole or from time to time in part, on the terms specified in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly

EXHIBIT 1(K)
(to Note Purchase Agreement)

authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount and Net Loss) and with the effect provided in the Note Purchase Agreement.

**THIS NOTE AND THE NOTE PURCHASE AGREEMENT ARE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD PERMIT THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.**

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

EXHIBIT 1(K)-2

**FORM OF SERIES L NOTE**

**GENUINE PARTS COMPANY**

**2.02% SERIES L SENIOR NOTE DUE OCTOBER 30, 2029**

No. RL -___ _____ __, 20
€_____ PPN: 372460 D#9

FOR VALUE RECEIVED, the undersigned, GENUINE PARTS COMPANY (herein called the "**Company**"), a corporation organized and existing under the laws of the State of Georgia, hereby promises to pay to _____, or registered assigns, the principal sum of _____ EUROS (€_____) (or so much thereof as shall not have been paid) on October 30, 2029 (the "**Maturity Date**"), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the rate of 2.02% per annum from the date hereof, payable semiannually on April 30 and October 30 of each year, commencing with the April 30 or October 30 next succeeding the date hereof, and on the Maturity Date, until the principal amount hereof shall have become due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest and (ii) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Excess Leverage Fee, Make-Whole Amount or Net Loss, at a rate per annum from time to time equal to the greater of (1) 4.02% or (2) 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. from time to time in Frankfurt, Germany as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, and interest on, and any Excess Leverage Fee, Make-Whole Amount or Net Loss payable with respect to, this Note are to be made in Euros to the registered holder hereof at the address shown in the register maintained by the Company for such purpose or at such other place as the holder hereof shall designate to the Company in writing.

This Note is one of a series of Senior Notes (herein called the "**Notes**") issued pursuant to a Note Purchase Agreement, dated as of October 30, 2017 (as amended from time to time, the "**Note Purchase Agreement**"), among the Company and the Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representations set forth in Section 6 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

As provided in the Note Purchase Agreement, this Note is subject to prepayment, in whole or from time to time in part, on the terms specified in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in

the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount and Net Loss) and with the effect provided in the Note Purchase Agreement.

**THIS NOTE AND THE NOTE PURCHASE AGREEMENT ARE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD PERMIT THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.**

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

EXHIBIT 1(L)-2

**FORM OF SERIES M NOTE**

**GENUINE PARTS COMPANY**

**2.32% SERIES M SENIOR NOTE DUE OCTOBER 30, 2032**

No. RM -___ _____ __, 20
€_____ PPN: 372460 E*2

FOR VALUE RECEIVED, the undersigned, GENUINE PARTS COMPANY (herein called the "**Company**"), a corporation organized and existing under the laws of the State of Georgia, hereby promises to pay to _____, or registered assigns, the principal sum of _____ EUROS (€_____) (or so much thereof as shall not have been paid) on October 30, 2032 (the "**Maturity Date**"), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the rate of 2.32% per annum from the date hereof, payable semiannually on April 30 and October 30 of each year, commencing with the April 30 or October 30 next succeeding the date hereof, and on the Maturity Date, until the principal amount hereof shall have become due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest and (ii) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Excess Leverage Fee, Make-Whole Amount or Net Loss, at a rate per annum from time to time equal to the greater of (1) 4.32% or (2) 2.00% over the rate of interest publicly announced by JPMorgan Chase Bank, N.A. from time to time in Frankfurt, Germany as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, and interest on, and any Excess Leverage Fee, Make-Whole Amount or Net Loss payable with respect to, this Note are to be made in Euros to the registered holder hereof at the address shown in the register maintained by the Company for such purpose or at such other place as the holder hereof shall designate to the Company in writing.

This Note is one of a series of Senior Notes (herein called the "**Notes**") issued pursuant to a Note Purchase Agreement, dated as of October 30, 2017 (as amended from time to time, the "**Note Purchase Agreement**"), among the Company and the Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representations set forth in Section 6 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

As provided in the Note Purchase Agreement, this Note is subject to prepayment, in whole or from time to time in part, on the terms specified in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in

the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount and Net Loss) and with the effect provided in the Note Purchase Agreement.

**THIS NOTE AND THE NOTE PURCHASE AGREEMENT ARE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD PERMIT THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.**

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

EXHIBIT 1(M)-2

**FORM OF OFFICER'S CERTIFICATE**

**GENUINE PARTS COMPANY**

**CERTIFICATE OF OFFICER**

I, Charles A. Chesnutt, hereby certify that I am the Senior Vice President and Treasurer of Genuine Parts Company, a Georgia corporation, whose principal office is located in the State of Georgia (the "**Company**"), and that, as such, I have access to the Company's records and am familiar with the matters herein certified, and I am authorized to execute and deliver this Certificate in the name and on behalf of the Company, and further certify (in the name of and on behalf of the Company and not in my individual capacity) that:

1. This certificate is being delivered pursuant to Section 4.3(a) of that certain Note Purchase Agreement, dated as of October 30, 2017 (the "**Note Purchase Agreement**") between the Company and each of the Purchasers (as defined in the Note Purchase Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings provided in the Note Purchase Agreement.

2. All of the warranties and representations of the Company in the Note Purchase Agreement are correct on and as of the date hereof.

3. The Company has performed and complied with all agreements and conditions contained in the Note Purchase Agreement which were required to be performed or complied with by the Company prior to or as of the date hereof and, after giving effect to the issue and sale on the date hereof of the Notes, no Default or Event of Default has occurred and is continuing.

4. The Company has not (a) changed its jurisdiction of formation; (b) been a party to any merger or consolidation; or (c) succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

5. From February 16, 2015 to the date hereof, Jennifer L. Ellis has been and is the duly elected, qualified and acting Secretary of the Company, and the signature appearing on the Secretary's Certificate dated the date hereof and delivered to the Purchasers contemporaneously herewith is her genuine signature.

EXHIBIT 4.3(a)
(to Note Purchase Agreement)

**IN WITNESS WHEREOF**, I have executed this Certificate in the name and on behalf of the Company on the Closing Day.

**GENUINE PARTS COMPANY**

By: /s/ Charles A. Chesnutt
Name: Charles A. Chesnutt
Title: Senior Vice President and Treasurer

**FORM OF SECRETARY'S CERTIFICATE**

**GENUINE PARTS COMPANY**

**CERTIFICATE OF SECRETARY**

I, Jennifer L. Ellis, hereby certify that I am the duly elected, qualified and acting Secretary of Genuine Parts Company, a Georgia corporation (the "**Company**"), and that, as such, I have access to its corporate records and am familiar with the matters herein certified, and I am authorized to execute and deliver this certificate in the name and on behalf of the Company, and further certify in my capacity as such officer as follows:

1. This certificate is being delivered pursuant to Section 4.3(b) of that certain Note Purchase Agreement (the "**Note Purchase Agreement**"), dated as of October 30, 2017, between the Company and each of the Purchasers (as defined in the Note Purchase Agreement). The terms used in this certificate and not defined herein have the respective meanings specified in the Note Purchase Agreement.

2. Attached hereto as **Exhibit A** is a true and correct copy of resolutions adopted by the Board of Directors of the Company on _____ __, 2017. Such resolutions were duly adopted by said Board of Directors and are in full force and effect on and as of the date hereof, not having been amended, altered or repealed, and such resolutions are filed with the records of the Board of Directors.

3. The Notes were executed and delivered by the Company pursuant to and in accordance with the resolutions set forth in Exhibit A hereto and the Notes as executed are substantially in the form submitted to and approved by the Board of Directors of the Company as aforementioned.

4. Attached hereto as **Exhibit B** is a true, correct and complete copy of the By-laws of the Company, including any and all amendments thereto, as in full force and effect on and as of the date hereof.

5. Attached hereto as **Exhibit C** is a short form good standing certificate in the form of a Certificate of Existence issued with respect to the Company by the Secretary of State for the State of Georgia.

6. Attached hereto as **Exhibit D** is a true, correct and complete copy of the Articles of Incorporation of the Company, including any and all amendments thereto, certified by the Secretary of State of the State of Georgia, as in full force and effect on and as of the date hereof.

7. Each of the following named persons is and has been a duly elected qualified and acting officer of the Company holding the office or offices set forth below opposite his name with full power and authority to act on behalf of the Company.

EXHIBIT 4.3(b)
(to Note Purchase Agreement)

| Name | Office | Signature |
|---|---|---|
| Charles A. Chesnutt | Senior Vice President and Treasurer | /s/ Charles A. Chesnutt |
| Scott C. Smith | Senior Vice President and General Counsel | /s/ Scott C. Smith |

8. The signature appearing opposite the name of each such person set forth above is his or her genuine signature.

**IN WITNESS WHEREOF**, I have hereunto set my hand on October 30, 2017.

By: /s/ Jennifer L. Ellis
Name: Jennifer L. Ellis
Corporate Secretary

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMPANY**

Exhibit A
(to Secretary's Certificate)

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**BY-LAWS OF THE COMPANY**

Exhibit B
(to Secretary's Certificate)

**GOOD STANDING CERTIFICATE OF THE COMPANY**

Exhibit C
(to Secretary's Certificate)

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**CERTIFICATE OF INCORPORATION OF THE COMPANY**

Exhibit D
(to Secretary's Certificate)

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**FORM OF OPINION OF COUNSEL FOR THE COMPANY**

The closing opinions of Scott Smith, Esq., Senior Vice President and General Counsel for the Company, and Davis Polk & Wardwell LLP, special counsel for the Company, which is called for by Sections 4.4(a)(i) and 4.4(a)(ii) of the Agreement, shall be allocated between such counsel as appropriate, shall be dated the date of the Closing and addressed to each Purchaser, shall be satisfactory in scope and form to each Purchaser and shall collectively be to the effect that:

1. The Company is a corporation, duly organized, validly existing and in good standing under the laws of the State of Georgia, has the corporate power and authority to execute and perform the Agreement and to issue the Notes and has the full corporate power and authority to conduct the activities in which it is now engaged.

2. The Agreement has been duly authorized by all necessary corporate action on the part of the Company, has been duly executed and delivered by the Company and constitutes the legal, valid and binding contract of the Company enforceable in accordance with their respective terms.

3. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms.

4. No approval, consent or withholding of objection on the part of, or filing, registration or qualification with, any Governmental Authority, federal or state, is necessary in connection with the execution, delivery or performance by the Company of the Agreement or the Notes.

5. The issuance and sale of the Notes and the execution, delivery and performance by the Company of the Agreement do not conflict with any law, rule or regulation of any Governmental Authority or conflict with or result in any breach of any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any of the property of the Company pursuant to the provisions of its organizational documents or any agreement or other instrument known to such counsel to which the Company is a party or by which the Company may be bound.

6. The issuance, sale or delivery of the Notes under the circumstances contemplated by the Agreement do not, under existing law, require the registration of the Notes under the Securities Act or the qualification of an indenture under the Trust Indenture Act of 1939.

EXHIBIT 4.4(a)(i) and EXHIBIT 4.4(a)(ii)
(to Note Purchase Agreement)

7. The Company is not an "investment company" as such term is defined in the Investment Company Act of 1940.

8. The issuance of the Notes and the use of the proceeds of the sale of the Notes in accordance with the provisions of and contemplated by the Agreement do not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System.

The opinions of Scott Smith, Esq. and Davis Polk & Wardwell LLP shall cover such other matters relating to the sale of the Notes as any Purchaser may reasonably request and shall provide that (i) subsequent holders of the Notes may rely upon such opinions and (ii) such opinions may be provided to Governmental Authorities including the NAIC. With respect to matters of fact on which such opinions are based, such counsel shall be entitled to rely on appropriate certificates of public officials and officers of the Company.

**FORM OF OPINION OF SPECIAL COUNSEL FOR THE PURCHASERS**

The closing opinion of Schiff Hardin LLP, special counsel to the Purchasers, called for by Section 4.4(b) of the Note Purchase Agreement, shall be dated as of the Closing Day and addressed to the Purchasers, shall be satisfactory in form and substance to the Purchasers and shall be to the effect that:

1. The Note Agreement and the Notes being delivered on the date hereof constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms.

2. The issuance, sale and delivery of the Notes being delivered on the date hereof under the circumstances contemplated by the Note Purchase Agreement and on the basis of the applicable representations made by the Company in Section 5.13 of the Note Purchase Agreement and by the Purchasers in Section 6.1 of the Note Purchase Agreement, do not, under existing law, require the registration of the Notes under the Securities Act or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

The opinion of Schiff Hardin LLP shall also state that the opinions of Scott Smith, Esq., Senior Vice President and General Counsel for the Company, and Davis Polk & Wardwell LLP, special counsel for the Company, are satisfactory in scope and form to Schiff Hardin LLP and that, in their opinion, the Purchasers are justified in relying thereon.

The opinion of Schiff Hardin LLP is limited to the laws of the State of New York and the Federal laws of the United States.

With respect to matters of fact upon which such opinion is based, Schiff Hardin LLP may rely on appropriate certificates of public officials and officers of the Company and upon representations of the Company and the Purchasers delivered in connection with the issuance and sale of the Notes.

EXHIBIT 4.4(b)
(to Note Purchase Agreement)

# GUARANTY AGREEMENT
# (SERIES I, SERIES J, SERIES K, SERIES L AND SERIES M NOTES)

**DATED AS OF _____ __, 20__**

of

[GUARANTOR NAME]

EXHIBIT 9.6
(to Note Purchase Agreement)

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EXHIBIT 9.6-2-

## GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT, dated as of _____, 20__ (this "**Guaranty Agreement**"), is made by _____, a _____ (the "**Guarantor**") in favor of the Purchasers (as defined below) and the other holders from time to time of the Notes (as defined below). The Purchasers and such other holders are herein collectively called the "**holders**" and individually a "**holder**."

## PRELIMINARY STATEMENTS:

I. Genuine Parts Company, a Georgia corporation (the "**Company**"), has entered into a Note Purchase Agreement, dated as October 30, 2017 (as amended, modified, supplemented or restated from time to time, the "**Note Agreement**"), with the Purchasers listed on Schedule B thereto (together with their successors and assigns, the "**Purchasers**"). Capitalized terms used herein have the meanings specified in the Note Agreement unless otherwise defined herein.

II. The Company has authorized the issuance and sale, pursuant to the Note Agreement, of (a) U.S.$120,000,000 aggregate principal amount of its 3.70% Series I Senior Notes due October 30, 2027 (the "**Series I Notes**"), (b) €225,000,000 aggregate principal amount of its 1.40% Series J Senior Notes due October 30, 2024 (the "**Series J Notes**"), (c) €250,000,000 aggregate principal amount of its 1.81% Series K Senior Notes due October 30, 2027 (the "**Series K Notes**"), (d) €125,000,000 aggregate principal amount of its 2.02% Series L Senior Notes due October 30, 2029 (the "**Series L Notes**") and (e) €100,000,000 aggregate principal amount of its 2.32% Series M Senior Notes due October 30, 2032 (the "**Series M Notes**"; together with the Series I Notes, the Series J Notes, the Series K Notes and the Series L Notes, the "**Initial Notes**"). The Initial Notes and any other Notes that may from time to time be issued pursuant to the Note Agreement (including any notes issued in substitution for any of the Notes), as the same may be amended, modified, supplemented or restated from time to time, are herein collectively called the "**Notes**" and individually a "**Note**."

III. Pursuant to the Note Agreement, the Company is required to cause the Guarantor to deliver this Guaranty Agreement to the holders of Notes.

IV. The Guarantor has received and will receive direct and indirect benefits from the financing arrangements contemplated by the Note Agreement. The _____ of the Guarantor has determined that the incurrence of such obligations is in the best interests of the Guarantor.

NOW THEREFORE, in compliance with the Note Agreement, and in consideration of, the execution and delivery of the Note Agreement and the purchase of the Notes by each of the Purchasers, the Guarantor hereby covenants and agrees with, and represents and warrants to each of the holders as follows:

**SECTION 2. GUARANTY.** The Guarantor hereby irrevocably and unconditionally guarantees to each holder, the due and punctual payment in full of (a) the principal of, Make-Whole Amount, if any, Net Loss, if any, Excess Leverage Fee, if any, and interest on (including, without limitation, interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), and any other amounts due under, the Notes when and as the same shall become due and payable (whether at stated maturity or by required or optional prepayment or by acceleration or otherwise) and (b) any other sums which may become due under the terms and provisions of the Notes, the Note Agreement or any other instrument referred to therein (all such obligations described in clauses (a) and (b) above are herein called the "**Guaranteed Obligations**"). The guaranty in the preceding sentence is an absolute, present and continuing guaranty of payment and not of collectibility and is in no way conditional or contingent upon any attempt to collect from the Company or any other guarantor of the Notes or upon any other action, occurrence or circumstance whatsoever. In the event that the Company shall fail so to pay any of such Guaranteed Obligations, the Guarantor agrees to pay the same when due to the holders entitled thereto, without demand, presentment, protest or notice of any kind, in lawful money of the United States, pursuant to the requirements for payment specified in the Notes and the Note Agreement. Each default in payment of any of the Guaranteed Obligations shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises. The Guarantor agrees that the Notes issued in connection with the Note Agreement may (but need not) make reference to this Guaranty Agreement.

The Guarantor agrees to pay and to indemnify and save each holder harmless from and against any damage, loss, cost or expense (including attorneys' fees) which such holder may incur or be subject to as a consequence, direct or indirect, of (x) any breach by the Guarantor or by the Company of any warranty, covenant, term or condition in, or the occurrence of any default under, this Guaranty Agreement, the Notes, the Note Agreement or any other instrument referred to therein, together with all expenses resulting from the compromise or defense of any claims or liabilities arising as a result of any such breach or default, (y) any legal action commenced to challenge the validity or enforceability of this Guaranty Agreement, the Notes, the Note Agreement or any other instrument referred to therein and (z) enforcing or defending (or determining whether or how to enforce or defend) the provisions of this Guaranty Agreement.

The Guarantor hereby acknowledges and agrees that the Guarantor's liability hereunder is joint and several with any other Person(s) who may guarantee the obligations and Indebtedness under and in respect of the Notes and the Note Agreement.

Notwithstanding the foregoing provisions or any other provision of this Guaranty Agreement, the holders (by their acceptance of any Note) and the Guarantor hereby agree that if at any time the Guaranteed Obligations exceed the Maximum Guaranteed Amount determined as of such time with regard to the Guarantor, then this Guaranty Agreement shall be automatically amended to reduce the Guaranteed Obligations to the Maximum Guaranteed Amount. Such amendment shall not require the written consent of the

Guarantor or any holder and shall be deemed to have been automatically consented to by the Guarantor and each holder. The Guarantor agrees that the Guaranteed Obligations may at any time exceed the Maximum Guaranteed Amount without affecting or impairing the obligation of the Guarantor. "**Maximum Guaranteed Amount**" means as of the date of determination with respect to the Guarantor, the lesser of (a) the amount of the Guaranteed Obligations outstanding on such date and (b) the maximum amount that would not render the Guarantor's liability under this Guaranty Agreement subject to avoidance under Section 548 of the United States Bankruptcy Code (or any successor provision) or any comparable provision of applicable state law.

**SECTION 3. OBLIGATIONS ABSOLUTE**.The obligations of the Guarantor hereunder shall be primary, absolute, irrevocable and unconditional, irrespective of the validity or enforceability of the Notes, the Note Agreement or any other instrument referred to therein, shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim the Guarantor may have against the Company or any holder or otherwise, and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, any circumstance or condition whatsoever (whether or not the Guarantor shall have any knowledge or notice thereof), including, without limitation: (a) any amendment to, modification of, supplement to or restatement of the Notes, the Note Agreement or any other instrument referred to therein (it being agreed that the obligations of the Guarantor hereunder shall apply to the Notes, the Note Agreement or any such other instrument as so amended, modified, supplemented or restated) or any assignment or transfer of any thereof or of any interest therein, or any furnishing, acceptance or release of any security for the Notes; (b) any waiver, consent, extension, indulgence or other action or inaction under or in respect of the Notes, the Note Agreement or any other instrument referred to therein; (c) any bankruptcy, insolvency, arrangement, reorganization, readjustment, composition, liquidation or similar proceeding with respect to the Company or its property; (d) any merger, amalgamation or consolidation of the Guarantor or of the Company into or with any other Person or any sale, lease or transfer of any or all of the assets of the Guarantor or of the Company to any Person; (e) any failure on the part of the Company for any reason to comply with or perform any of the terms of any other agreement with the Guarantor; (f) any failure on the part of any holder to obtain, maintain, register or otherwise perfect any security; or (g) any other event or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor (whether or not similar to the foregoing), and in any event however material or prejudicial it may be to the Guarantor or to any subrogation, contribution or reimbursement rights the Guarantor may otherwise have. The Guarantor covenants that its obligations hereunder will not be discharged except by indefeasible payment in full in cash of all of the Guaranteed Obligations and all other obligations hereunder.

**SECTION 4. WAIVER**.

The Guarantor unconditionally waives to the fullest extent permitted by law, (a) notice of acceptance hereof, of any action taken or omitted in reliance hereon and of any default by the Company in the payment of any amounts due under the Notes, the Note

Agreement or any other instrument referred to therein, and of any of the matters referred to in Section 2 hereof, (b) all notices which may be required by statute, rule of law or otherwise to preserve any of the rights of any holder against the Guarantor, including, without limitation, presentment to or demand for payment from the Company or the Guarantor with respect to any Note, notice to the Company or to the Guarantor of default or protest for nonpayment or dishonor and the filing of claims with a court in the event of the bankruptcy of the Company, (c) any right to require any holder to enforce, assert or exercise any right, power or remedy including, without limitation, any right, power or remedy conferred in the Note Agreement or the Notes, (d) any requirement for diligence on the part of any holder and (e) any other act or omission or thing or delay in doing any other act or thing which might in any manner or to any extent vary the risk of the Guarantor or otherwise operate as a discharge of the Guarantor or in any manner lessen the obligations of the Guarantor hereunder.

**SECTION 5. OBLIGATIONS UNIMPAIRED**.

The Guarantor authorizes the holders, without notice or demand to the Guarantor and without affecting its obligations hereunder, from time to time: (a) to renew, compromise, extend, accelerate or otherwise change the time for payment of, all or any part of the Notes, or any obligations under the Note Agreement or any other instrument referred to therein; (b) to change any of the representations, covenants, events of default or any other terms or conditions of or pertaining to the Notes, the Note Agreement or any other instrument referred to therein, including, without limitation, decreases or increases in amounts of principal, rates of interest, Excess Leverage Fee, Make-Whole Amount, Net Loss or any other obligation; (c) to take and hold security for the payment of the Notes or amounts payable under the Note Agreement or any other instrument referred to therein, for the performance of this Guaranty Agreement or otherwise for the Indebtedness guaranteed hereby and to exchange, enforce, waive, subordinate and release any such security; (d) to apply any such security and to direct the order or manner of sale thereof as the holders in their sole discretion may determine; (e) to obtain additional or substitute endorsers or guarantors; (f) to exercise or refrain from exercising any rights against the Company and others; and (g) to apply any sums, by whomsoever paid or however realized, to the payment of the Guaranteed Obligations and all other obligations owed hereunder. The holders shall have no obligation to proceed against any additional or substitute endorsers or guarantors or to pursue or exhaust any security provided by the Company, the Guarantor or any other Person or to pursue any other remedy available to the holders.

If an event permitting the acceleration of the maturity of the principal amount of any Notes shall exist and such acceleration shall at such time be prevented or the right of any holder to receive any payment on account of the Guaranteed Obligations shall at such time be delayed or otherwise affected by reason of the pendency against the Company, the Guarantor or any other guarantors of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guaranty Agreement and its obligations hereunder, the maturity of such principal amount shall be deemed to have

been accelerated with the same effect as if the holder thereof had accelerated the same in accordance with the terms of the Note Agreement, and the Guarantor shall forthwith pay such accelerated Guaranteed Obligations.

**SECTION 6. SUBROGATION AND SUBORDINATION**.

The Guarantor will not exercise any rights which it may have acquired by way of subrogation under this Guaranty Agreement, by any payment made hereunder or otherwise, or accept any payment on account of such subrogation rights, or any rights of reimbursement, contribution or indemnity or any rights or recourse to any security for the Notes or this Guaranty Agreement unless and until all of the Guaranteed Obligations shall have been indefeasibly paid in full in cash.

The Guarantor hereby subordinates the payment of all Indebtedness and other obligations of the Company or any other guarantor of the Guaranteed Obligations owing to the Guarantor, whether now existing or hereafter arising, including, without limitation, all rights and claims described in clause (a) of this Section 5, to the indefeasible payment in full in cash of all of the Guaranteed Obligations. If the Required Holders so request, any such Indebtedness or other obligations shall be enforced and performance received by the Guarantor as trustee for the holders and the proceeds thereof shall be paid over to the holders promptly, in the form received (together with any necessary endorsements) to be applied to the Guaranteed Obligations, whether matured or unmatured, as may be directed by the Required Holders, but without reducing or affecting in any manner the liability of the Guarantor under this Guaranty Agreement.

If any amount or other payment is made to or accepted by the Guarantor in violation of any of the preceding clauses (a) and (b) of this Section 5, such amount shall be deemed to have been paid to the Guarantor for the benefit of, and held in trust for the benefit of, the holders and shall be paid over to the holders promptly, in the form received (together with any necessary endorsements) to be applied to the Guaranteed Obligations, whether matured or unmatured, as may be directed by the Required Holders, but without reducing or affecting in any manner the liability of the Guarantor under this Guaranty Agreement.

The Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Note Agreement and that its agreements set forth in this Guaranty Agreement (including this Section 5) are knowingly made in contemplation of such benefits.

**SECTION 7. REINSTATEMENT OF GUARANTY**.

This Guaranty Agreement shall continue to be effective, or be reinstated, as the case may be, if and to the extent at any time payment, in whole or in part, of any of the sums due to any holder on account of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by a holder upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company or any other guarantors, or

upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Company or any other guarantors or any part of its or their property, or otherwise, all as though such payments had not been made.

**SECTION 8. RANK OF GUARANTY**.

The Guarantor will ensure that its payment obligations under this Guaranty Agreement will at all times rank at least *pari passu*, without preference or priority, with all other unsecured and unsubordinated Indebtedness of the Guarantor now or hereafter existing.

**SECTION 9. REPRESENTATIONS AND WARRANTIES OF THE GUARANTOR**.

The Guarantor represents and warrants to each holder as follows:

**9.1 Organization; Power and Authority**. The Guarantor is a _____, duly organized, validly existing and in good standing under the laws of its jurisdiction of _____, and is duly qualified as a foreign _____and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Guarantor has the _____ power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Guaranty Agreement and to perform the provisions hereof.

**9.2 Authorization, Etc**. This Guaranty Agreement has been duly authorized by all necessary _____ action on the part of the Guarantor, and this Guaranty Agreement constitutes a legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

**9.3 Compliance with Laws, Other Instruments, Etc**. The execution, delivery and performance by the Guarantor of this Guaranty Agreement will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Guarantor or any of its Subsidiaries under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, organizational documents, or any other agreement or instrument to which the Guarantor or any of its Subsidiaries is bound or by which the Guarantor or any of its Subsidiaries or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to the Guarantor or any of its Subsidiaries or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Guarantor or any of its Subsidiaries. "**Governmental Authority**" means (x) the government of (i) the United States or any State or other political subdivision thereof,

or (ii) any other jurisdiction in which the Guarantor or any of its Subsidiaries conducts all or any part of its business, or which asserts jurisdiction over any properties of the Guarantor or any of its Subsidiaries, or (y) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

**9.4 Governmental Authorizations, Etc**. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Guarantor of this Guaranty Agreement.

**9.5 Information Regarding the Company**. The Guarantor now has and will continue to have independent means of obtaining information concerning the affairs, financial condition and business of the Company. No holder shall have any duty or responsibility to provide the Guarantor with any credit or other information concerning the affairs, financial condition or business of the Company which may come into possession of the holders. The Guarantor has executed and delivered this Guaranty Agreement without reliance upon any representation by the holders including, without limitation, with respect to (a) the due execution, validity, effectiveness or enforceability of any instrument, document or agreement evidencing or relating to any of the Guaranteed Obligations or any loan or other financial accommodation made or granted to the Company, (b) the validity, genuineness, enforceability, existence, value or sufficiency of any property securing any of the Guaranteed Obligations or the creation, perfection or priority of any lien or security interest in such property or (c) the existence, number, financial condition or creditworthiness of other guarantors or sureties, if any, with respect to any of the Guaranteed Obligations.

**9.6 Solvency**. Upon the execution and delivery hereof, the Guarantor will be solvent, will be able to pay its debts as they mature, and will have capital sufficient to carry on its business.

**SECTION 10. TERM OF GUARANTY AGREEMENT**.

This Guaranty Agreement and all guarantees, covenants and agreements of the Guarantor contained herein shall continue in full force and effect and shall not be discharged until such time as all of the Guaranteed Obligations and all other obligations hereunder shall be indefeasibly paid in full in cash and shall be subject to reinstatement pursuant to Section 6.

**SECTION 11. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT**.

All representations and warranties contained herein shall survive the execution and delivery of this Guaranty Agreement and may be relied upon by any subsequent holder, regardless of any investigation made at any time by or on behalf of any Purchaser or any other holder. All statements contained in any certificate or other instrument delivered by or on behalf of the Guarantor pursuant to this Guaranty Agreement shall be deemed representations and warranties of the Guarantor under this Guaranty Agreement.

Subject to the preceding sentence, this Guaranty Agreement embodies the entire agreement and understanding between each holder and the Guarantor and supersedes all prior agreements and understandings relating to the subject matter hereof.

**SECTION 12. AMENDMENT AND WAIVER**.

**12.1 Requirements**. Except as otherwise provided in the fourth paragraph of Section 1 of this Guaranty Agreement, this Guaranty Agreement may be amended, and the observance of any term hereof may be waived (either retroactively or prospectively), only with the written consent of the Guarantor and the Required Holders, except that no amendment or waiver (a) of any of the first three paragraphs of Section 1 or any of the provisions of Section 2, 3, 4, 5, 6, 7, 9 or 11 hereof, or any defined term (as it is used therein), or (b) which results in the limitation of the liability of the Guarantor hereunder (except to the extent provided in the fourth paragraph of Section 1 of this Guaranty Agreement) will be effective as to any holder unless consented to by such holder in writing.

**12.2 Solicitation of Holders of Notes**.

(a) Solicitation. The Guarantor will provide each holder of the Notes (irrespective of the amount of Notes then owned by it) with sufficient information, sufficiently far in advance of the date a decision is required, to enable such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof. The Guarantor will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 11.2 to each holder of outstanding Notes promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) Payment. The Guarantor will not directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security or provide other credit support, to any holder as consideration for or as an inducement to the entering into by any holder of any waiver or amendment of any of the terms and provisions hereof unless such remuneration is concurrently paid, or security is concurrently granted or other credit support concurrently provided, on the same terms, ratably to each holder of the Notes then outstanding even if such holder did not consent to such waiver or amendment.

(c) Consent in Contemplation of Transfer. Any consent given pursuant to this Section 11 or Section 17 of the Note Purchase Agreement by a holder that has transferred or has agreed to transfer its Notes to (i) the Company, (ii) any Subsidiary or any other Affiliate (including the Guarantor) or (iii) any other Person in connection with, or in anticipation of, such other Person acquiring, making a tender offer for or merging with the Company and/or any of its Affiliates, in each case in connection with such consent, shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted

but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

**12.3 Binding Effect**. Any amendment or waiver consented to as provided in this Section 11 applies equally to all holders and is binding upon them and upon each future holder and upon the Guarantor without regard to whether any Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Guarantor and the holder nor any delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any holder. As used herein, the term "**this Guaranty Agreement**" and references thereto shall mean this Guaranty Agreement as it may from time to time be amended or supplemented.

**12.4 Notes Held By Guarantor, Etc**. Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Guaranty Agreement, or have directed the taking of any action provided herein to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by the Guarantor, the Company or any of their respective Affiliates shall be deemed not to be outstanding.

**SECTION 13. NOTICES**.

All notices and communications provided for hereunder shall be in writing and sent (i) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), or (ii) by registered or certified mail with return receipt requested (postage prepaid), or (iii) by an internationally recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

if to the Guarantor, to _____, or such other address as the Guarantor shall have specified to the holders in writing, or

if to any holder of any Note, to such holder at the addresses specified for such communications set forth in Schedule B to the Note Agreement, or such other address as such holder shall have specified to the Guarantor in writing.

**SECTION 14. MISCELLANEOUS**.

**14.1 Successors and Assigns**. All covenants and other agreements contained in this Guaranty Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns whether so expressed or not.

**14.2 Severability**. Any provision of this Guaranty Agreement 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 hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law), not invalidate or render unenforceable such provision in any other jurisdiction.

**14.3 Construction**. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such express contrary provision) be deemed to excuse compliance with any other covenant. Whether any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

The section and subsection headings in this Guaranty Agreement are for convenience of reference only and shall neither be deemed to be a part of this Guaranty Agreement nor modify, define, expand or limit any of the terms or provisions hereof. All references herein to numbered sections, unless otherwise indicated, are to sections of this Guaranty Agreement. Words and definitions in the singular shall be read and construed as though in the plural and *vice versa*, and words in the masculine, neuter or feminine gender shall be read and construed as though in either of the other genders where the context so requires.

**14.4 Further Assurances**. The Guarantor agrees to execute and deliver all such instruments and take all such action as the Required Holders may from time to time reasonably request in order to effectuate fully the purposes of this Guaranty Agreement.

**14.5 Governing Law**. This Guaranty Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York, excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

**14.6 Jurisdiction and Process; Waiver of Jury Trial**.

(a) The Guarantor irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Guaranty Agreement. To the fullest extent permitted by applicable law, the Guarantor irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Guarantor agrees, to the fullest extent permitted by applicable law, that a final judgment in any suit, action or proceeding of the nature referred to in Section 13.6(a) brought in any such court shall be conclusive and binding upon it subject to rights of appeal, as the case may be, and may be enforced in the courts of the United States or the State of New York (or any other courts to the jurisdiction of which it or any of its assets is or may be subject) by a suit upon such judgment.

(c) The Guarantor consents to process being served by or on behalf of any holder in any suit, action or proceeding of the nature referred to in Section 13.6(a) by mailing a copy thereof by registered, certified priority or express mail (or any substantially similar form of mail), postage prepaid, return receipt or delivery confirmation requested, to it at its address specified in Section 12 or at such other address of which such holder shall then have been notified pursuant to said Section 12. The Guarantor agrees that such service upon receipt (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(d) Nothing in this Section 13.6 shall affect the right of any holder to serve process in any manner permitted by law, or limit any right that the holders may have to bring proceedings against the Guarantor in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(e) THE GUARANTOR AND THE HOLDERS WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS GUARANTY AGREEMENT OR OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH.

**14.7 Reproduction of Documents; Execution**. This Guaranty Agreement may be reproduced by any holder by any photographic, photostatic, electronic, digital, microfilm, microcard, miniature photographic or other similar process and such holder may destroy any original document so reproduced. The Guarantor agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by any holder in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 13.7 shall not prohibit the Guarantor or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction. A facsimile or electronic transmission of the signature page of the Guarantor shall be as effective as delivery of a manually executed counterpart hereof and shall be admissible into evidence for all purposes.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty Agreement to be duly executed and delivered as of the date and year first above written.

[NAME OF GUARANTOR]

By: _____
Name:
Title:

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**EXHIBIT 21**

**SUBSIDIARIES OF THE COMPANY**
**(as of December 31, 2017)**

| | | |
|---|---|---|
| **Name** | | **Jurisdiction of Incorporation** |
| BALKAMP, INC. | 100.0% | INDIANA |
| EIS, INC. | 100.0% | GEORGIA |
| EIS DOMINICAN REPUBLIC, LLC | 100.0% | GEORGIA |
| GPC FINANCE COMPANY | 100.0% | DELAWARE |
| GPC PROCUREMENT COMPANY | 100.0% | GEORGIA |
| NATIONAL AUTOMOTIVE PARTS ASSOCIATION | 100.0% | MICHIGAN |
| MOTION INDUSTRIES, INC. | 100.0% | DELAWARE |
| S.P. RICHARDS COMPANY | 100.0% | GEORGIA |
| SPR PROCUREMENT COMPANY | 100.0% | GEORGIA |
| SHUSTER CORPORATION | 100.0% | GEORGIA |
| 1ST CHOICE AUTO PARTS, INC. | 51.0% | GEORGIA |
| THE FLOWERS COMPANY | 46.5% | NORTH CAROLINA |
| GPC MEXICO, S.A. de C.V. | 100.0% | PUEBLA, MEXICO |
| GRUPO AUTO TODO S.A. de C.V. | 100.0% | PUEBLA, MEXICO |
| COMSERES de MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, JALISCO, MEXICO |
| EIS HOLDINGS (CANADA) INC. | 100.0% | BRITISH COLUMBIA, CANADA |
| POLIFIBRA CANADA (1987) INC. | 100.0% | ONTARIO, CANADA |
| MOTION INDUSTRIES (CANADA), INC. | 100.0% | OTTAWA, ONTARIO |
| MOTION - MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, MEXICO |
| S. P. RICHARDS CO. CANADA INC. | 100.0% | BRITISH COLUMBIA, CANADA |
| UAP INC. | 100.0% | QUEBEC, CANADA |
| GARANAT INC. | 100.0% | FEDERAL, CANADA |
| UAPRO INC. | 100.0% | FEDERAL, CANADA |
| UNITED AUTO PARTS (Eastern) LTD. | 100.0% | ONTARIO, CANADA |
| SERVICES FINANCIERS UAP INC. | 100.0% | QUEBEC, CANADA |
| WTC PARTS CANADA | 75.0% | FEDERAL, CANADA |
| PIECES DE CAMION DE LA BEAUCE | 75.0% | QUEBEC, CANADA |
| GPC GLOBAL SOURCING LIMITED | 100.0% | HONG KONG, CHINA |
| GENUINE PARTS SOURCING (SHENZHEN) COMPANY LIMITED | 100.0% | SHENZHEN, CHINA |
| ALTROM AUTO GROUP LTD | 100.0% | BRITISH COLUMBIA, CANADA |
| EIS-GPC SERVICIOS de MEXICO, S. de R.L. de C.V. | 100.0% | GUADALAJARA, JALISCO, MEXICO |
| RIEBE'S AUTO PARTS, LLC | 22.0% | GEORGIA |
| AUTOPARTSPROS, LLC | 20.0% | GEORGIA |
| MOTOR PARTS OF CARROLL COUNTY, INC. | 75.8% | MARYLAND |
| POTOMAC AUTO PARTS, INC. | 79.0% | MARYLAND |
| REISTERSTOWN AUTO PARTS, INC. | 79.0% | MARYLAND |
| WILLIAMSPORT AUTOMOTIVE, INC. | 79.0% | PENNSYLVANIA |
| AST BEARINGS LLC | 100.0% | DELAWARE |
| GPC GLOBAL HOLDINGS B.V. | 100.0% | AMSTERDAM, THE NETHERLANDS |
| GPC ASIA PACIFIC HOLDINGS COOPERATIEF U.A. | 100.0% | AMSTERDAM, THE NETHERLANDS |
| GPC ASIA PACIFIC HOLDINGS PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| AUTOPARTES NAPA MEXICO, S. de R.L. de C.V. | 100.0% | PUEBLA, MEXICO |
| SUPPLY SOURCE ENTERPRISES, INC. | 100.0% | GEORGIA |
| IMPACT PRODUCTS LLC | 100.0% | DELAWARE |
| GPIC LLC | 100.0% | GEORGIA |
| GPIC CANADA LP | 100.0% | ALBERTA, CANADA |
| GPC ASIA PACIFIC LLC | 100.0% | GEORGIA |
| THE SAFETY ZONE, LLC | 100.0% | CONNECTICUT |
| THE SAFETY ZONE (CANADA), ULC | 100.0% | NOVA SCOTIA, CANADA |
| INENCO GROUP PTY LTD | 35.0% | SOUTH AUSTRALIA, AUSTRALIA |
| GPC ASIA PACIFIC INDUSTRIAL HOLDINGS PTY LTD | 100.0% | VICTORIA, AUSTRALIA |
| GPC EUROPE, LLC | 100.0% | GEORGIA |
| GPC EUROPE HOLDINGS B.V. | 100.0% | AMSTERDAM, THE NETHERLANDS |
| GPC EUROPE AUTOMOTIVE GROUP LTD. | 100.0% | LONDON, UNITED KINGDOM |

EXHIBIT 23

**Consent of Independent Registered Public Accounting Firm**

**We consent to the incorporation by reference in the following Registration Statements:**

**(1) Registration Statement (Form S-8 No. 333-21969) pertaining to the Directors' Deferred Compensation Plan of Genuine Parts Company and Subsidiaries,**

**(2) Registration Statement (Form S-8 No. 333-133362) pertaining to the 2006 Long-Term Incentive Plan of Genuine Parts Company and Subsidiaries, and**

**(3) Registration Statement (Form S-8 No. 333-204390) pertaining to the 2015 Incentive Plan of Genuine Parts Company and Subsidiaries;**

**of our reports dated February 27, 2018, with respect to the consolidated financial statements and schedule of Genuine Parts Company and Subsidiaries and the effectiveness of internal control over financial reporting of Genuine Parts Company and Subsidiaries, included in this Annual Report (Form 10-K) of Genuine Parts Company and Subsidiaries for the year ended December 31, 2017.**

**/s/ Ernst & Young LLP**

**Atlanta, Georgia**
**February 27, 2018**

**EXHIBIT 31.1**

CERTIFICATIONS

I, Paul D. Donahue, certify that:

1. I have reviewed this annual report on Form 10-K of Genuine Parts Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Paul D. Donahue

Paul D. Donahue

President and Chief Executive Officer

Date: February 27, 2018

**EXHIBIT 31.2**

CERTIFICATIONS

I, Carol B. Yancey, certify that:

1. I have reviewed this annual report on Form 10-K of Genuine Parts Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Carol B. Yancey

Carol B. Yancey
Executive Vice President and Chief Financial Officer

Date: February 27, 2018

**EXHIBIT 32.1**

**STATEMENT OF CHIEF EXECUTIVE OFFICER OF**
**GENUINE PARTS COMPANY**
**PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Genuine Parts Company (the "Company") on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul D. Donahue, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul D. Donahue

Paul D. Donahue
President and Chief Executive Officer

February 27, 2018

**EXHIBIT 32.2**

**STATEMENT OF CHIEF FINANCIAL OFFICER OF**
**GENUINE PARTS COMPANY**
**PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Genuine Parts Company (the "Company") on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carol B. Yancey, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Carol B. Yancey

Carol B. Yancey
Executive Vice President and Chief Financial Officer

February 27, 2018